

Exhibit 1

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

 ORIGINAL¹

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

CIVIL ACTION NO.: 3:16-CV-05808-BRM-LHG

-----*

JEFFREY BOWIE, DEPOSITION OF:

Plaintiff, JEFFERY BOWIE

vs.

COSTCO WHOLESALE CORPORATION,
BRUCE DZENEORF; and JOHN AND
JANE DOES 1-10 (fictitious
names)

Defendants.

-----*

T R A N S C R I P T of the stenographic notes
of the proceedings in the above-entitled matter, as
taken by and before RENÉE A. LEWIS, a Certified
Court Reporter of the State of New Jersey, License
Number 30XI00108800, held at the offices of DeNOIA,
TAMBASCO & GERMANN, LLC, 501 Main Street, Toms
River, New Jersey, on Monday, June 18, 2018,
commencing at 10:22 a.m.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

2

1 A P P E A R A N C E S:

2

DeNOIA, TAMBASCO & GERMANN, LLC

3 BY: JAMES N. CITTA, ESQ.

Judge, Superior Court (Retired)

4 501 Main Street

Toms River, New Jersey 08753

5 (732) 341-1030

citta@denoiatambasco.com

6 Attorneys for the Plaintiff

7

SEYFARTH SHAW, LLP

8 BY: PAUL GALLIGAN, ESQ.

620 Eighth Avenue

9 New York, New York 10018

(212) 218-5500

10 pgalligan@seyfarth.com

Attorneys for the Defendant

11 COSTCO WHOLESALE CORPORATION

and BRUCE DEZENDORF

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

12

1 education?

2 A. High school graduate. Some college.

3 Q. When you say "some college," can you
4 be more specific?

5 A. Um, approximately ten credits short of
6 my associates.

7 Q. Which college?

8 A. Middlesex Community College.

9 Q. What was your first job out of high
10 school or college?

11 A. While I will was in college, I don't
12 remember.

13 Q. Okay. Let me skip that and go to when
14 you were hired by Costco. Approximately when were
15 you hired by Costco?

16 A. 1994.

17 Q. How did you get that job?

18 A. I walked in and applied.

19 Q. Which warehouse did you work in first?

20 A. The Edison depot.

21 Q. So when you say "depot," that wasn't a
22 store?

23 A. No, sir.

24 Q. What was the business at the depot?

25 A. We loaded trucks.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

13

1 Q. And what was your first job for
2 Costco?

3 A. Loader.

4 Q. How long did you work at the Edison
5 depot?

6 A. Approximately two years.

7 Q. Were you a loader for the whole two
8 years you were there?

9 A. I did transfer to another department
10 within the depot called PCI where I did shipping
11 and receiving.

12 Q. What does PCI stand for, if you
13 remember?

14 A. Price Costco Industries.

15 COURT REPORTER: Price?

16 THE WITNESS: Price Costco.

17 Q. And the "i" is Industries?

18 A. Yes.

19 Q. So after two years where did you go
20 then?

21 A. To PCI.

22 Q. Oh, I see.

23 A. It's a building within.

24 Q. There's another building at Edison?

25 A. Inside the depot.

Jeffrey Bowle v. Costco Wholesale Corporation, et al.
June 18, 2018

14

1 Q. All right. And how long did you work
2 in the PCI building?

3 A. Approximately two years.

4 Q. So that's four years in total in that
5 area?

6 A. Approximately.

7 Q. And where did you go from there?

8 A. I transferred into a store in Livonia,
9 Michigan.

10 Q. Why did you do that?

11 A. To get promoted.

12 Q. What was the promotion to?

13 A. Foods manager.

14 Q. And how long did you work in the
15 Livonia store?

16 A. Approximately two years.

17 Q. So that brings us up to about -- 2000?

18 A. Yes.

19 Q. Right, okay. So where did you go
20 then?

21 A. Waterbury, Connecticut.

22 Q. That's another store?

23 A. Yes.

24 Q. And how long did you work in
25 Waterbury?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

15

1 A. Approximately four years.

2 Q. Why did you move from Livonia to
3 Waterbury?

4 A. At the time my current wife wanted to
5 come back to the East Coast.

6 Q. What was her name?

7 A. Pamela.

8 Q. What positions did you hold at
9 Waterbury?

10 A. Waterbury I was the merchandise
11 manager and assistant general manager.

12 Q. The assistant general manager, that
13 would have been another promotion? Is that
14 correct?

15 A. Yes.

16 Q. Approximately when were you promoted
17 from merch manager to AGM?

18 A. Approximately 2002.

19 Q. And who was the general manager at
20 Waterbury?

21 A. Terry Jobb.

22 Q. J-o-b?

23 A. J-o-b-b.

24 Q. B-b, two b's. J-o-b-b.

25 A. I believe so.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

16

1 Q. And where did you go from Waterbury?

2 A. Waterbury, I went to Clifton.

3 Q. Clifton, New Jersey?

4 A. Yes.

5 Q. Approximately when was that?

6 A. 2004, 2005. 2004. In that area.

7 Q. So why did you transfer from Waterbury
8 to Clifton?

9 A. To an attempt to bring my children
10 back to New Jersey so my ex-wife would drop her
11 custody suit.

12 Q. And this is Pamela being now your
13 ex-wife?

14 A. Yes.

15 Q. What was your position at Clifton?

16 A. Assistant general manager.

17 Q. So it was a lateral transfer?

18 A. Yes.

19 Q. How long were you in Clifton?

20 A. Approximately year and a half, two
21 years.

22 Q. What happened then?

23 A. I had the opportunity to move closer
24 to home. So they transferred me over to Brick.

25 Q. What was your position at Brick?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

17

1 A. Assistant general manager.

2 Q. And that's Brick, New Jersey?

3 A. Yes.

4 Q. So that was another lateral transfer.

5 Is that right?

6 A. Yes.

7 Q. And how long did you work as the AGM
8 in Brick? First time around.

9 A. Until 2008.

10 Q. Who was the GM in Brick?

11 A. Chris Binns, B-i-n-n-s.

12 Q. Was he the general manager for the
13 entire time you were at Brick the first time?

14 A. No.

15 Q. Who was the other general manager?

16 A. Leonard Wohlgemuth.

17 Q. Wohlgemuth replaced Binns. Is that
18 right?

19 A. Yes.

20 Q. All right. So where did you go from
21 Brick?

22 A. Manahawkin.

23 Q. Again, was that a lateral transfer?

24 A. Yes.

25 Q. And why did you transfer to

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

18

1 Manahawkin?

2 A. New store. Closer to home.

3 Q. You've got two or three at least
4 lateral transfers at the AGM level. Can you just
5 generally describe Costco procedure for an AGM
6 transferring? Who has to recommend it? Who has to
7 approve it, generally?

8 A. My understanding of it is that the GM
9 makes the recommendation.

10 Q. The GM of the outgoing store or the
11 incoming store?

12 A. Both.

13 Q. Both, okay.

14 And who would approve the
15 recommendations from the general managers?

16 A. I would assume their boss. I don't
17 know that for sure.

18 Q. That's fine.

19 Okay. So at Manahawkin, you were at
20 Manahawkin from 2008 to when?

21 A. Approximately 2012.

22 Q. And who was the general manager there?

23 A. Where?

24 Q. Sorry. At Manahawkin.

25 A. That was, um -- George Acosta.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

19

1 Q. And was George Acosta the GM for the
2 whole time you were at Manahawkin?

3 A. No.

4 Q. Who was the GM there?

5 A. Zoya Vlady.

6 Q. V-l-a-d-y?

7 A. V-l-a-d-y.

8 Q. And so did Zoya replace George at some
9 point?

10 A. Yes.

11 Q. Do you remember when that was
12 approximately?

13 A. 2010 maybe. Approximately.

14 Q. Okay. Let's stop there for that. I'm
15 going to show you another document, which has been
16 previously marked as Defendants Exhibit 2. So
17 Defendants Exhibit 2 is a two-page resume with a
18 Bates stamp number Costco 538 and 539. And it
19 appears to be your resume at some point in time.
20 Is that right?

21 A. Yes.

22 Q. And looking at this document, it looks
23 like you wrote this while you were the AGM in Brick
24 the first time around? Is that right?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

20

1 Q. Okay. So it would have been sometime
2 in 2005 and 2008. Is that right?

3 A. Yes.

4 Q. Do you remember why you were writing
5 -- why you were putting together a resume at that
6 time?

7 A. Yes. To apply for AGM in Manahawkin.

8 Q. I just want to do some questions about
9 your marital history. Your first wife was Pamela.
10 Is that right?

11 A. Yes.

12 Q. Did you have a second wife?

13 A. Yes.

14 Q. When did you and Pamela get divorced?
15 Approximately.

16 A. 2002.

17 Q. Did you have any kids?

18 A. Yes.

19 Q. What are the names? Sorry. Boys or
20 girls? I'm sorry. Boys or girls?

21 A. From.

22 Q. Pamela.

23 A. The first -- okay. Two girls.

24 Q. What are their names?

25 A. Aubrey and Calista.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

21

1 Q. And approximately -- sorry. What age
2 are they?

3 A. 20 and 18 currently.

4 Q. Do they currently live with you?

5 A. Yes.

6 Q. How long have they lived with you?

7 A. Always.

8 Q. Always, okay. So you got custody of
9 your two daughters from that marriage?

10 A. Yes.

11 Q. Okay. So did you get remarried?

12 A. Yes.

13 Q. To who?

14 A. Kimberly.

15 Q. When did you get remarried?

16 A. 2003 maybe. Approximately.

17 Q. Did you have any kids from that
18 marriage?

19 A. Yes.

20 Q. How many?

21 A. Three.

22 Q. Three boys or girls?

23 A. Boys.

24 Q. Three boys. And their names?

25 A. Gage, Cooper, Keifer.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

22

1 Q. And Gage is how old now?

2 A. 12.

3 Q. Cooper?

4 A. 11.

5 Q. Keifer?

6 A. 10.

7 Q. I have four children, so this is like.

8 Are they all your children?

9 A. Yes.

10 Q. Are you still married to Kimberly?

11 A. No.

12 Q. Divorced?

13 A. Yes.

14 Q. When did you get divorced?

15 A. 2012.

16 Q. And do you have custody of the three
17 boys?

18 A. Yes.

19 Q. All three of them?

20 A. Yes.

21 Q. They all live with you?

22 A. Yes.

23 Q. They've lived with you their whole
24 lives?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

25

1 Q. And you were employed by Costco for a
2 long time. How often did Costco reissue or change
3 its handbook? Do you know?

4 A. I'm not sure. I believe -- I think it
5 was every four years. I don't know.

6 Q. Okay. When you started at Costco in
7 1994, did you get a copy of the handbook that was
8 in effect at that time?

9 A. I don't recall.

10 Q. Do you recall ever having -- getting a
11 copy of the handbook?

12 A. I do.

13 Q. When did you first get a copy of the
14 handbook, that you recall?

15 A. I couldn't give you a date.

16 Q. Okay. Do you recall getting a copy of
17 the handbook that's in front of you, Defendants-3,
18 which has the date of March 2013?

19 A. I recall seeing the handbook.

20 Q. So we'll go with this handbook. Are
21 you familiar generally with the procedures in this
22 handbook?

23 A. I used to be.

24 Q. Well, right, you used to be when you
25 worked at Costco. Is that right?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

26

1 A. Yes.

2 Q. Okay. So I want to direct your
3 attention to Section 2.1, which is on page 11. So
4 in Section 2.1 is Costco's open door policy. Is
5 that correct?

6 A. That's what it reads.

7 Q. Okay. When you worked at Costco, what
8 was your understanding as to what the open door
9 policy meant?

10 A. My understanding of the policy is that
11 any employee can go to anybody they felt
12 comfortable.

13 Q. How far could the employee go up the
14 chain of command?

15 A. As high as they felt comfortable.

16 Q. That would include the CEO of the
17 company?

18 A. Correct.

19 Q. Did you ever take advantage of the
20 open door policy yourself?

21 A. Take advantage of it as far as going
22 to a supervisor I'm comfortable to talk to them?

23 Q. Yes.

24 A. Yes.

25 Q. Do you recall when that happened? Or

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

27

1 how often it happened? I guess we should start
2 with that.

3 A. It wasn't a regular thing. It was
4 when necessary.

5 Q. Do you recall any specific examples?

6 A. I do.

7 Q. Okay. Can you tell me?

8 A. When I spoke to Leonard about my son.

9 Q. That's Leonard Wohlgemuth?

10 A. Yes.

11 Q. Leonard was the general manager at
12 Brick at the time. Is that right?

13 A. Yes.

14 Q. Was this the first time you were at
15 Brick or the second time?

16 A. Second time.

17 Q. We're a little behind in terms of your
18 progression through Costco. You were at Manahawkin
19 until 2012. Is that correct?

20 A. Approximately.

21 Q. Approximately, right. What happened
22 in 2012 in terms of your employment at Manahawkin?

23 A. I was relocated to Brick.

24 Q. Was that the same store that Brick was
25 the first time?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

28

1 A. No.

2 Q. Can you explain that?

3 A. They moved the store and opened a new
4 one in Brick.

5 Q. And who was the -- sorry.

6 Was Leonard Wohlgemuth still the
7 general manager when you went back to Brick?

8 A. Yes.

9 Q. And what position did you go back to
10 Brick as?

11 A. Assistant general manager.

12 Q. So how soon after you went back to
13 Brick did you have -- did you talk to Leonard about
14 your son?

15 A. Don't have a specific date, but it was
16 within the first few months.

17 Q. Which son?

18 A. Gage.

19 Q. Could you just describe the nature of
20 your discussion with Leonard under the open door
21 policy?

22 A. I explained my situation with my
23 marital situation and that I was a single father
24 with custody of my kids and that I was concerned
25 because my son has autism and was having a

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

29

1 difficult time at that period of his life because I
2 just went through a divorce with his mother and he
3 was having behavioral issues and difficulty with
4 his medication. And I may need accommodations. Do
5 I -- and I asked if I need to fill out FMLA
6 paperwork.

7 Q. And generally what was Leonard's
8 response?

9 A. He was very personable, very
10 understanding. He explained to me that as long as
11 the building had coverage, it wasn't necessary.

12 Q. It wasn't necessary for what?

13 A. For me to fill out FMLA paperwork.
14 Family Medical Leave of Absence.

15 Q. So in sum and substance, Leonard told
16 you it wasn't necessary to complete FMLA paperwork.
17 As long as the building had coverage, you could
18 take time off. Is that correct?

19 A. Correct.

20 Q. Was this one conversation you had with
21 Leonard about this issue or was it more than one?

22 A. One.

23 Q. So were you satisfied with that
24 resolution?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

30

1 Q. And can you explain just generally
2 when you're talking about the building having
3 coverage, what does that mean?

4 A. Prior to opening there needed to be a
5 key-carrying manager. During open hours there
6 needed to be at least an assistant general manager
7 in the building.

8 Q. When you say "open hours," you mean
9 customer business hours?

10 A. Correct.

11 Q. Okay. Anything else?

12 A. That was the criteria.

13 Q. What about after closing?

14 A. Same. As long as there's no customers
15 in the building, there needed to be a key-carrying
16 manager in the building at all times. While there
17 was people in the building.

18 Q. What levels of managers were key
19 managers?

20 A. Staff level managers.

21 Q. Maybe this is a good time to explain
22 for the record, and let's take Brick since we're
23 going to talk about that the most, second time
24 around, new building, Leonard Wohlgemuth was the
25 general manager. Was he the top manager in the

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

31

1 building?

2 A. Yes.

3 Q. How many AGMs?

4 A. Two -- three, excuse me. Myself and
5 two others.

6 Q. And you worked -- second time around
7 you worked in Brick from 2012 to 2014. Is that
8 right?

9 A. Yes.

10 Q. At which point you were terminated.
11 Is that right?

12 A. Yes.

13 Q. Yeah. We'll get to that. Don't
14 worry, we'll get back to that.

15 So during that two-year period -- I'm
16 just trying to get a time frame established here.
17 During that two-year period who were the AGMs other
18 than you?

19 A. Jim Mack. I believe Jeff Kenny was
20 there for a short period of time. Peter.

21 Q. Peter. Okay.

22 A. Demealias.

23 Q. Demoleas?

24 A. Demoleas. Something to that. I don't
25 know how to pronounce it properly.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

36

1 6 a.m. It could be five; it could be four,
2 depending on the needs of the business, needs of
3 the employees, the rest of the staff.

4 Q. Right.

5 A. Into the afternoon, early afternoon.

6 Q. Again, how many days off?

7 A. Two.

8 Q. And did it vary?

9 A. Yes.

10 Q. What would be the variables in terms
11 of days off?

12 A. I don't understand the question.

13 Q. Okay. It was a bad question.

14 So in terms of as long as the building
15 had coverage, when you had this conversation with
16 Leonard and you reached this arrangement with him,
17 what time off were you taking to take care of your
18 son typically?

19 A. I didn't take off on a regular basis.

20 Q. Okay. Just explain to me when you
21 would take off, why and how that worked with the
22 building.

23 A. I'm not sure I understand.

24 Q. Well, okay. You reached an
25 arrangement with Leonard that you've got an

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

37

1 autistic son who's got difficulty with the
2 medication and his behavior, and he said you could
3 take time off as long as the building had coverage.
4 Am I right there?

5 A. Yes.

6 Q. Okay. So how did that actually work
7 out? How much time were you taking off typically
8 and for what reason?

9 A. I don't recall any issues when I was
10 working with Leonard. And if I did utilize time, I
11 don't recall an issue.

12 Q. So is it possible that you didn't have
13 to take any time off for your son during the period
14 that Leonard was the GM?

15 A. Yes. It's possible.

16 Q. And if you did, you don't remember as
17 you sit here today.

18 A. I don't recall specifics.

19 Q. That's fine, okay.

20 Any other times that you recall using
21 the open door policy?

22 A. No. Nothing specific where I would
23 say yes, I'm going to use the open door policy.
24 No.

25 Q. Okay. So I just wanted to go back --

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

38

1 we're going to come back to this issue, obviously,
2 but in terms of the employee agreement, which is in
3 front of you, you have an open door policy. You've
4 explained your understanding of that. You've
5 explained your use of it.

6 Do you recall if in, let's say -- in
7 either Manahawkin or Brick. So that would have
8 been the last six years of your employment. You
9 were an AGM. Do you recall any other employees or
10 managers using the open door policy?

11 A. I would have employees on a regular
12 basis come to me. Because they felt comfortable
13 speaking with me. I don't know specifics, but I
14 dealt with hundreds of employees every day.

15 Q. Do you recall examples of where
16 employees or managers went above the warehouse to
17 corporate with complaints or issues under the open
18 door policy?

19 A. I don't have direct knowledge of it.

20 Q. Okay. Other than the employee
21 agreement, which is in front of you, how did
22 employees know that the company had an open door
23 policy? Was there any other way of knowing?

24 A. Just by communication from me. I know
25 I would communicate it.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

39

1 Q. What about, was the open door policy
2 posted anywhere in the building? Any of the
3 buildings you worked at.

4 A. The break room.

5 Q. It was posted in the break room?

6 A. Yes. I believe it was.

7 Q. Do you know if employees got training
8 on the open door policy?

9 A. Specifically? No, I don't know that.

10 Q. So going back to the exhibit in front
11 of you, which is Defendants Exhibit 3, the employee
12 agreement, Section 2.2, which is on the next page.
13 Equal opportunity. Costco had an equal opportunity
14 policy. Is that right?

15 A. That's what I'm reading.

16 Q. Were you aware of that when you worked
17 at Costco?

18 A. No. When I worked or when I was
19 hired?

20 Q. When you worked there.

21 A. Oh, after I was employed, yes. When I
22 applied I did not know.

23 Q. What was your understanding as to
24 Costco's EEO policy?

25 A. That we don't discriminate. Race,

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

40

1 religion, etc.

2 Q. Did you get any training -- as a
3 manager did you get any training on Costco's EEO
4 policy?

5 A. Specifically, I don't recall.

6 Q. Were you involved in hiring as an AGM?

7 A. Yes.

8 Q. What was your involvement in hiring?

9 A. As an AGM I would do the third
10 interviews. Sometimes help out with other
11 interviews.

12 Q. Do you know if employees got a copy of
13 the employee agreement when they were hired?

14 A. Yes.

15 Q. Looking again at 2.3, which is the
16 next policy, on page 13. Americans with
17 Disabilities Act, ADA. Are you aware that Costco
18 had a policy on the ADA?

19 A. Yes.

20 Q. What's your understanding as to
21 Costco's ADA policy?

22 A. We don't -- that at the time when I
23 was employed we didn't discriminate for
24 disabilities.

25 Q. And then 2.4 is the anti-harassment

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

41

1 policy. Are you aware that Costco had an
2 anti-harassment policy?

3 A. Yes.

4 Q. And again, what was your understanding
5 as to Costco's anti-harassment policy?

6 A. That we didn't tolerate a hostile work
7 -- anybody creating a hostile work environment.

8 Q. Could people use, as far as you know
9 and understand, could people use the open door
10 policy to make complaints or raise issues about
11 harassment, discrimination, equal opportunity?

12 A. Yes.

13 Q. And if you look at 2.5, which is on
14 page 15, section 2.5 of the employee handbook is
15 entitled, "Reporting harassment discrimination or
16 retaliation." What is your understanding as to
17 Costco's policy with respect to reporting
18 harassment, discrimination or retaliation?

19 A. That retaliation, harassment or
20 discrimination wasn't tolerated.

21 Q. Okay. But what's your understanding
22 as to the different ways that an employee or a
23 manager, any employee, from stocker to general
24 manager could report either that they were the
25 victim or that they witnessed discrimination or

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

42

1 harassment or retaliation? What are their options?

2 A. Their options with the open door
3 policy, they can report to anybody they felt
4 comfortable.

5 Q. Skip ahead to 7.0, which is page 43.

6 Before we do that, I just noticed
7 something. 6.7 right on the other side of the
8 page. The CARE network. Are you familiar with
9 that?

10 A. Yes.

11 Q. What was your understanding as to
12 Costco's CARE network?

13 A. CARE network was a network of
14 therapists, and even more than that, assisting
15 employees, whatever needs or crisis they're dealing
16 with.

17 Q. Can you give me an example of how it
18 works?

19 A. If someone was going through a divorce
20 and needed some therapy, or alcoholism, any kind of
21 issues, financial issues, lawyer issues, whatever
22 they had.

23 Q. And how would you get in touch with
24 the CARE network?

25 A. I wouldn't.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

43

1 Q. Do you know how it was done, if an
2 employees has an issue?

3 A. I handed them a phone number.

4 Q. So there's a phone number they can
5 call.

6 A. Yes.

7 Q. Did you ever use the CARE network
8 yourself?

9 A. Personally, I have.

10 Q. You have, okay. How many times?

11 A. Once that I recall.

12 Q. Can you tell me when that was?

13 A. Approximately around 2012.

14 Q. Can you describe the nature of your
15 issue and how CARE network helped you?

16 A. I was dealing with stress of being a
17 single father with five kids, one with autism and
18 going through a divorce, as well as having my
19 position at work.

20 Q. At the time that you contacted the
21 CARE network, do you recall which warehouse you
22 were working in?

23 A. Manahawkin.

24 Q. So before you went back to Brick. Is
25 that right?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

44

1 A. I believe it was. I think it was
2 right around the time I may have been transferred.
3 So I'm not a hundred percent sure.

4 Q. Fair enough. So what kind of help did
5 you get from the CARE network?

6 A. Therapy.

7 Q. Was that in-person therapy, over the
8 phone?

9 A. In person.

10 Q. In person. Was that paid for by
11 Costco?

12 A. No. I believe I used my insurance. I
13 paid.

14 Q. Okay. And your insurance will be your
15 health insurance from Costco, correct?

16 A. Correct.

17 Q. All right. So we were going to talk
18 about the family medical leave, Section 7.0, is
19 entitled, "What if I need time off?" 7.0 Family
20 and medical leaves of absence. Generally, it seems
21 to be a long policy. I'm just going to ask you
22 generally what was your understanding as to
23 Costco's FMLA policy?

24 A. My understanding is the policy was
25 there to help assist you if you needed it

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

45

1 personally or if you were taking care of someone
2 who is chronically ill. Or in need under the
3 qualifications of FMLA.

4 Q. What was your understanding as to how
5 -- when an employee, Costco employee, qualified for
6 FMLA?

7 A. I don't understand the question.

8 Q. When would you be eligible to have
9 FMLA as a Costco employee?

10 A. Under the criteria of Costco or under
11 the criteria of FMLA?

12 Q. Under FMLA.

13 A. I don't know. That's for them to
14 determine.

15 Q. Okay. What about for Costco?

16 A. I would assist -- I would direct them
17 to the payroll department, who would deal with
18 making sure they meet the minimum requirements.

19 Q. So the payroll department in Brick
20 second time around, who was the payroll -- who was
21 the person in the payroll department, if you
22 recall?

23 A. I don't remember her name.

24 Q. So it was one person that you would
25 direct employees to?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

46

1 A. Not just one. It could be -- it would
2 be the administration manager or the payroll clerk.

3 Q. Okay. Did you get any training from
4 Costco about how to help employees get FMLA?

5 A. Yes.

6 Q. Can you just please describe that
7 training?

8 A. To direct them to, um -- the
9 administration department, which can help get them
10 -- I'd give them the number for FMLA; they would
11 call; and they would deal with it that way.

12 As far as whether or not they
13 qualified, that's up to them to fill out the
14 paperwork; it gets sent in, and then a
15 predetermination was made that had nothing to do
16 with me.

17 Q. Okay. When you say you got training,
18 what kind of training was that, in terms of was it
19 computer training, in person, if you recall?

20 A. I don't recall computer training. I
21 recall having discussions.

22 Q. With who?

23 A. Specifically, I don't remember. I
24 just remember general meetings.

25 Q. Did you ever apply for FMLA?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

47

1 A. I did not.

2 Q. At any time during your 20 years at
3 Costco you didn't apply for FMLA ever?

4 A. No, I did -- I did have FMLA when my
5 children were born. I think that was FMLA.

6 Q. Okay.

7 A. I'm not certain, but I believe that
8 falls under FMLA.

9 Q. Was FMLA paid or unpaid?

10 A. Paid.

11 Q. So when your children were born, you
12 were able to get paid FMLA leave? Is that right?

13 A. I believe it was FMLA I got paid.

14 Q. We'll get back to that. So if you
15 could go to 11.1. Page 69. Generally, the title
16 of 11.0 is what are the rules, standards of conduct
17 and discipline. 11.1 is standards of conduct and
18 discipline. 11.2 is unpaid suspension. 11.3 are
19 causes for termination. Were you familiar with
20 these sections of the employee handbook?

21 A. Yes.

22 Q. If you look at 11.3, I think you're on
23 that page. So 11.3, it lists, it looks like 30 --
24 wait, is it 30? Yeah, 30 different causes for
25 termination. Am I right?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

50

1 mean?

2 A. Going to his -- the GM going to his
3 boss. Or her boss.

4 Q. And you've kindly explained --
5 actually, you didn't get to the bottom of it, but
6 the GM has typically two or three AGMs reporting
7 and then down from there -- what about going up the
8 hierarchy from the general manager? Who is the
9 general manager's boss at Costco?

10 A. The assistant VP.

11 Q. All right. And what typically --
12 typically -- how many stores is an assistant VP
13 responsible for?

14 A. I don't remember how many he was
15 responsible for.

16 Q. How many assistant VPs did you
17 interact with in the time you worked at Costco?

18 A. My entire career?

19 JUDGE CITTA: Excuse me. Objection.
20 Can you rephrase the question?

21 MR. GALLIGAN: Actually, I'm going to
22 withdraw it.

23 Q. Who does the AVP report to?

24 A. Senior VP.

25 Q. And who does the senior VP report to?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

51

1 A. I would assume it's the -- it was Joe
2 Portera at that point. So I think it was the -- I
3 don't know what his title is, actually, at this
4 point anymore. I don't remember. It's vice
5 president.

6 Q. Was Joe -- as far as you know, was Joe
7 Portera the SVP, the senior VP?

8 A. No.

9 Q. He was above the senior VP?

10 A. Yes.

11 Q. You just don't remember his title?

12 A. I think it was vice president. I
13 believe.

14 Q. Okay, and I think there's something I
15 forgot to do earlier, which is to go down from the
16 AGM, below the AGM, we got halfway and then I got
17 sidetracked.

18 So below the AGM -- and, again, we can
19 probably use Brick as an example. It's the last
20 warehouse you worked in. What positions were
21 directly below the AGM?

22 A. You have the merchandise manager, the
23 receiving manager, administration manager.

24 I'm forgetting one. I believe that
25 was it.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

52

1 Q. I think you mentioned the term "staff
2 manager" earlier.

3 A. Yes. Those are staff managers.

4 Q. And below the staff managers.

5 A. Department managers.

6 Q. Who are they?

7 A. You have --

8 Q. Positions.

9 A. You have a membership manager, tire
10 shop manager, photo manager, optical manager, hard
11 lines manager, center manager, foods manager, deli
12 manager, meat manager, bakery manager.

13 Q. Okay.

14 A. There may be a couple of others. I
15 don't remember.

16 Q. That's fine. And below the department
17 managers who do you have?

18 A. There would be supervisors.

19 Q. And in Brick, again, the last
20 warehouse you worked in, so 2012 to 2014,
21 approximately how many employees worked in that
22 store?

23 A. I don't recall.

24 Q. More or less than 200?

25 A. More.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

53

1 Q. And were the rank and file employees
2 at Brick represented by union?

3 A. Yes. Brick was union.

4 Q. Was Manahawkin union?

5 A. No.

6 Q. In Brick were the supervisors in the
7 union or not?

8 A. Yes.

9 Q. Department managers, were they in
10 union or not?

11 A. No.

12 Q. Okay. So back to the employee
13 agreement. One more section to cover is 11.7.
14 Standard of ethics. Were you familiar with the
15 standard of ethics for managers and supervisors?

16 A. I remember seeing it.

17 Q. And who did the standard of ethics
18 apply to?

19 A. Managers and supervisors.

20 Q. Sorry for the obvious, but. So at
21 least since you became a supervisor/manager, you --
22 were you familiar with the standard of ethics?
23 What it meant?

24 A. I don't understand the question.

25 Q. Like, as the AGM, what did the

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

54

1 standard of ethics, what did you understand the
2 standard of ethics to mean to you?

3 A. Treat people properly.

4 Q. Did it mean to you that managers and
5 supervisors were held to a higher standard than
6 rank and file employees?

7 A. I just understood it to treat people
8 properly. Conduct yourself professionally.

9 Q. Direct your attention to six lines
10 down. The first word on the line is "committed."

11 A. Mm-hmm. I see it.

12 Q. Go to the end of that line. There's a
13 sentence starts "any time"? Can you read that
14 sentence starting "any time"?

15 A. "Any time there is a slight doubt
16 about an activity that could be questioned
17 regarding honesty, integrity or intent, you must
18 discuss it with your manager or regional vice
19 president to remove any doubt."

20 Q. Okay. You were aware of that rule and
21 procedure? As an AGM?

22 A. I don't recall specifically reading
23 that.

24 Q. Were you aware of the general
25 principle that you as an AGM, if you ever had the

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

55

1 slightest doubt about an activity that could be
2 questioned regarding your honesty, integrity or
3 intent, you must discuss it with your manager? Did
4 you understand that concept?

5 A. I understand that concept.

6 Q. Did you understand it at the time you
7 worked for Costco?

8 A. Yes.

9 Q. I have one more section to direct your
10 attention to. You still have it open. 11.7. Last
11 sentence of the entire 11.7 starts with "managers"?
12 You see that right at the bottom of the page?

13 A. Yes.

14 Q. Page 77. Can you read that last
15 sentence?

16 A. "Managers must never engage in any
17 activity which could raise question concerning
18 their integrity."

19 Q. Did you understand that to be a rule
20 or procedure at Costco?

21 A. Yes.

22 Q. I show you what's been marked as
23 Defendants Exhibit 4. This is a job description
24 for assistant warehouse manager administration.
25 And it's marked with the Bates numbers Costo 465

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

58

1 Did you understand that as part of the
2 job?

3 A. Yes.

4 Q. Do you understand what's meant here by
5 "disability considerations"?

6 A. I do.

7 Q. What does that mean to you?

8 A. To me, if someone has a disability,
9 maybe some type of accommodation.

10 Q. Okay.

11 A. That's what it would kind of refer to.

12 Q. Thank you.

13 I show you what's marked as
14 Defendants-5. This is a Bates number Costco 648.
15 It's an acknowledgment of management training HR
16 month. Acknowledgment appears to be from Jeffery
17 Bowie. Is that your signature three-quarters of
18 the way down on the right?

19 A. It appears to be.

20 Q. What does "HR month" mean at Costco?

21 A. In that month they would pick a
22 different subject and review it.

23 Q. What does "HR" stand for?

24 A. HR?

25 Q. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

59

1 A. Human resources.

2 Q. So when Costco refers to "HR month,"
3 what's the "month" stand for? As far as you know.

4 A. What does "month" stand for?

5 Q. Is it one month of the year it's HR
6 month or is every month an HR month?

7 A. This is one particular month they
8 focus on HR.

9 Q. Okay. Is it one month per year, as
10 far as you know?

11 A. I believe.

12 Q. Is it a particular month of year?

13 A. I don't recall.

14 Q. Do you recall attending discrimination
15 and harassment prevention policies and procedures
16 in May 2006?

17 A. I don't specifically recall attending
18 -- attending this.

19 Q. Do you have any reason to dispute the
20 fact that you did attend it?

21 A. I don't. It appears to be my
22 signature.

23 Q. This is another acknowledgement of
24 management training. HR month. Costco 640 Bates
25 stamp.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

60

1 JUDGE CITTA: Is this D-6?

2 MR. GALLIGAN: D-6.

3 JUDGE CITTA: Thank you.

4 Q. So here's an acknowledgment from 2007.

5 Is that your signature?

6 A. It appears to be.

7 Q. Do you recall attending training in

8 May 2007?

9 A. No. I don't recall this specifically.

10 Q. Do you generally recall attending HR

11 month training every year?

12 A. Not every year, no.

13 Q. What do you recall about HR month?

14 A. Exactly as I explained before. They
15 would pick different subjects through that month
16 and review them. Whether it be informally through
17 managers' meetings, personal discussion.

18 Q. And give me an example what topics
19 would be covered.

20 JUDGE CITTA: Can we have
21 clarification? Are we talking specifically about
22 D-6, that month, Counsel?

23 MR. GALLIGAN: No.

24 Q. Just generally speaking, what subjects
25 are covered by HR month?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

61

1 A. I don't specifically remember the
2 subjects they would cover.

3 Q. Would they cover discrimination,
4 retaliation, disability, that kind of thing?

5 A. You're asking me if it's possible or
6 if I remember it?

7 Q. If you remember it.

8 A. Specifically in this one, no. In the
9 ten years that I was an AGM, I'm sure.

10 Q. You're sure what?

11 A. I've heard it once. At least once.

12 Q. Heard what once?

13 A. That they may have discussed
14 discrimination. I don't have any specific
15 recollection of going over any specific topics.

16 Q. Okay.

17 A. It's just general HR topics they would
18 go over.

19 Q. Okay. You can move that one over.

20 Defendants-7. This is the standard of
21 ethics. It appears to have your signature on it.
22 Is that correct?

23 A. It appears to be.

24 Q. Okay. Is it?

25 A. It appears to be my signature.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

62

1 Q. This is Costco Bates number -- Costco
2 643. You recall signing, specifically signing an
3 acknowledgment for the standard of ethics?

4 A. I do not specifically recall signing
5 this.

6 Q. Do you recall ever seeing this?

7 A. I don't recall seeing it.

8 MR. GALLIGAN: This would be eight,
9 Judge.

10 JUDGE CITTA: Thank you.

11 Q. I'm showing you what's been marked
12 Defendants Exhibit 8. It's a participation and
13 policy acknowledgment form. Bates number Costco
14 628. Do you recall participating in managing to
15 Costco standards of ethics program in 2011?

16 A. I don't specifically recall.

17 Q. Is this your signature?

18 A. Yes, it appears to be.

19 Q. This is nine. This is leave of
20 absence FMLA quiz. Costco 670. From May 2003. Do
21 you recall filling out a quiz about the FMLA?

22 A. No.

23 Q. Defendants-10. This is a multi-page
24 document. I'm just going to describe it for the
25 record. It's a request for leave of absence and

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

63

1 notification of family and medical leave
2 entitlements and other similar state leave acts
3 form.

4 This is for birth of a child. This is
5 your signature on page one?

6 A. Yes, it appears to be.

7 Q. September 30th of '05. Which child is
8 this for? If you can recall.

9 A. The date -- the date reflects my son
10 Gage.

11 Q. This is for Gage? So is it fair to
12 say that you applied for and received FMLA for time
13 off connected to the birth of your son Gage?

14 A. Yes.

15 Q. And this was paid?

16 A. Yes.

17 Q. This will be Defendants-11. This is
18 another FMLA form. Costco 818 to 823. It's a
19 package. It's another FMLA for childbirth. Is
20 that correct?

21 A. Correct. For paternity leave.

22 Q. Do you remember which child this is
23 for?

24 A. The date reflects my son Cooper.

25 Q. Cooper. This was paid as well?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

64

1 A. Yes.

2 Q. Defendants-12. Same set of type of
3 documents. FMLA form for childbirth again. Is
4 that correct?

5 A. Correct.

6 Q. 2008?

7 A. Yes.

8 Q. Can you identify which child?

9 A. The date reflects my son Keifer.

10 Q. Keifer. I know this probably goes
11 back. Your daughters are older. Do you recall if
12 you got FMLA for their births as well?

13 A. No. I don't think it was FMLA back
14 then.

15 Q. We'll go to 13. It's a one-page
16 letter from Leonard Wohlgemuth. Do you recall this
17 letter from Leonard recommending you for transfer
18 to Manahawkin?

19 A. I recall him writing a letter
20 recommending me for transfer. I don't specifically
21 recall this letter.

22 Q. Okay. I'm showing you what's being
23 marked as Defendants-14. It's a one-page document
24 entitled "Area of concern." It's undated, but it
25 refers -- it appears to refer to something that

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

68

1 We'll go back to 15.

2 Q. This is a performance appraisal. It
3 appears to be for you as the AGM from April 2009 to
4 April 2010. It's marked and Bates number Costco
5 757 through 763. Do you recall getting -- did you
6 get a performance appraisal every year?

7 A. No.

8 Q. Do you remember getting a performance
9 appraisal in this year, 2009 to 2010?

10 A. I don't specifically remember that
11 year.

12 Q. Okay. If you look at the Bates
13 number, it's at the bottom, 760, that's the
14 signature page. Is that your signature?

15 A. It appears to be.

16 Q. And the manager who reviewed you is
17 Zoya Vlady. Is that correct?

18 A. That's what I read.

19 Q. I direct your attention to the
20 integrity section, which is 759. So this section,
21 like all of the sections, has some ratings, but at
22 the bottom there are manager comments. In the
23 integrity section before you get to business savvy.
24 Do you see that?

25 A. I see it.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

69

1 Q. And there's a manager has commented
2 here that you have been addressed recently about
3 not acting in a manner which reflects the company's
4 ethical standards, i.e., unnecessary return of
5 four-year-old merchandise? Do you recall that?

6 A. I recall that.

7 Q. Tell me what you recall about that.

8 A. I recall about the review?

9 Q. About the four-year-old merchandise.

10 A. They were bookshelves that I purchased
11 that were left in boxes for quite some time because
12 we weren't -- that room wasn't set up. Once we did
13 set the bookshelves up, they had glass shelves in
14 there. I had no way of securing the doors, and my
15 children kept knocking them down.

16 Q. So what happened next?

17 A. I returned them. Under the double
18 guarantee. And it was explained to me that I could
19 not return them, I needed to purchase them back.

20 Q. When you say "double guarantee," what
21 do you mean?

22 A. 100 percent satisfaction, no questions
23 asked.

24 Q. So this was -- these were bookshelves
25 that you bought at Costco.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

72

1 return them. That we were not allowed to do
2 returns like regular members.

3 Q. And then you repurchased them. Is
4 that right?

5 A. I did.

6 Q. And then it was referenced to your
7 performance appraisal. Is that correct?

8 A. That's what it appears to be, yes.

9 Q. And you signed off on that performance
10 appraisal. Is that right?

11 A. It does appear that I signed it.

12 Q. And who was the manager or person who
13 told you you had to repurchase them, that you
14 couldn't refund them?

15 A. I don't recall.

16 Q. Was it Zoya?

17 A. I don't recall.

18 Q. Who was the vice president in charge
19 of Manahawkin at that time?

20 A. Rob Leuck.

21 Q. And that's -- do you remember how to
22 spell his name?

23 A. It's not spelled L-u-k-e. It's
24 L-u-e-k or something like that.

25 Q. I'm going to go with L-e-u-c-k. There

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

73

1 may be a document later that reflects that. I
2 don't know.

3 So did you have a discussion with Rob
4 Leuck about the return of these bookcases?

5 A. I do vaguely recall having a
6 conversation with him about the bookcases after the
7 fact.

8 Q. When you say "after the fact," what do
9 you mean?

10 A. I don't recall when he spoke to me
11 about it.

12 Q. Do you recall the sum and substance of
13 the discussion you had with Rob about the
14 bookcases?

15 A. As an employee I'm not entitled to the
16 same return policy.

17 Q. Did you challenge Rob Leuck's position
18 on that?

19 A. To his face, no.

20 Q. Did you challenge it under the open
21 door policy to his superiors?

22 A. No.

23 I'd like to clarify?

24 Q. Sure.

25 A. When you say "challenge," I didn't

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

74

1 challenge, but I discussed why I returned it with
2 him.

3 Q. What did you tell him? "Him" being
4 Rob Leuck, right?

5 A. Exactly what I said before is the same
6 thing. The glass shelves would fall. I was
7 concerned with my son's safety.

8 Q. How did -- if you recall, Mr. Leuck's
9 response to that?

10 A. I don't recall.

11 Q. Do you recall another issue coming up
12 at Manahawkin regarding an anonymous complaint that
13 was made by an employee that implicated you in some
14 Facebook posts?

15 A. I recall.

16 Q. What do you recall?

17 A. Vaguely.

18 Q. What do you recall about that?

19 A. I vaguely recall them printing out
20 pictures from my daughter's Facebook of them
21 putting makeup on me and making fun of me.

22 Q. Your daughters making fun of you?

23 A. Yes.

24 Q. What do you recall in terms of any
25 issue that came up at work about that?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

75

1 A. I was questioned about it and I
2 explained it.

3 Q. I show you what's been previously --
4 you can put that away. Previously been marked for
5 identification as Defendants-19. This is a
6 one-page typewritten letter with some handwritten
7 comments. It's written by "Concerned at number
8 1025." There's no name attributed to this. Do you
9 recall ever seeing this before?

10 A. I have seen this.

11 Q. What is this?

12 A. It appears to be an anonymous letter.

13 Q. To Rob Leuck?

14 A. That's what the top says.

15 Q. Do you know -- I understand it's
16 anonymous. I don't see a name here either. But do
17 you know -- do you know who made the complaint?

18 A. No.

19 Q. As you said, the complaint -- part of
20 the issues referred to in here was some pictures on
21 Facebook. But there's also other things that this
22 anonymous person is complaining about. Is that
23 right?

24 JUDGE CITTA: I object to the
25 phraseology. Rephrase, please. You say it

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

77

1 20. Defendants-20. It's a packet of
2 documents. It starts with an email from Sarah
3 Rajski, R-a-j-s-k-i, to Rob Leuck regarding an
4 anonymous complaint letter. And it's Bates 950.
5 And the documents after that are a series of
6 Facebook pictures.

7 My question for you, Mr. Bowie, is are
8 these the pictures that you referred to, the
9 Facebook pictures?

10 A. The ones I was referring to are the
11 last -- it looks like the last few of my daughter's
12 Facebook. That's what I spoke of.

13 Q. Can you just read the numbers of the
14 pages that you're referring to? The Bates number
15 at the bottom?

16 A. 000954. 000955. 000956. 000957.

17 Q. Now, there are other pictures like
18 961, the last one?

19 A. Mm-hmm.

20 Q. It's a picture -- it looks like you?
21 Is that you?

22 A. It's me.

23 Q. Sorry, it's a bad copy, but. And who
24 is the lady? If you recognize her.

25 A. That's Rena Sardella.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

78

1 Q. She was an employee at Costco?

2 A. She was.

3 Q. Manahawkin?

4 A. Yes.

5 Q. And then the other pictures that you
6 didn't identify, specifically the ones at Costco
7 952 and 953. It's a series of photographs with you
8 and -- other people. Can you identify those?

9 A. 00952 is me, my ex-wife Kimberly and
10 -- I don't remember her name.

11 Q. Okay. Costco employee?

12 A. Yes.

13 Q. And then 953 is three pictures on it.
14 Can you identify any of those?

15 A. Excuse me. I do recall her name.
16 Jennifer Wilson.

17 Q. Jennifer Wilson, okay. Sorry, which
18 one is Kimberly and which one is Jennifer? Sorry.

19 A. Kimberly is to the left of the picture
20 and Jennifer is to the right.

21 Q. Back to Costco 953. Do you recognize
22 any of these pictures?

23 A. I recognize two of them.

24 Q. Okay. Which ones?

25 A. I recognize the one to the top right

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

79

1 and the one on the bottom.

2 Q. What's the top right?

3 A. That's myself and Jennifer Wilson.

4 Q. And the bottom?

5 A. That's myself. It's Jennifer and I
6 can't see who's in the back.

7 Q. Were these pictures that you have on
8 Facebook?

9 A. Not my Facebook.

10 Q. Not your Facebook? Do you know whose
11 Facebook these pictures were taken from?

12 A. I do not.

13 Q. So somebody made an anonymous
14 complaint. Was there an investigation of some
15 kind?

16 A. My understanding is there was.

17 Q. What do you recall about that
18 investigation?

19 A. All I recall from that investigation
20 is I was asked to explain them.

21 Q. Okay. To who? To whom?

22 A. I believe I wrote a statement -- I
23 don't recall to who. Zoya asked me to write the
24 statement, but I don't recall who I wrote it to.

25 Q. I show you what's been marked as 21.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

85

1 A. I don't recall.

2 Q. Do you recall when the transfer took
3 place?

4 A. No.

5 Q. Was the conversation you had with Rob
6 Leuck in person or on the phone or some other --

7 A. In person.

8 Q. In person. Can you describe that
9 conversation the best you remember it?

10 Well, where was it?

11 A. In Brick.

12 Q. In Brick. Okay. Please tell me about
13 the conversation, what you remember.

14 A. It was brief. He explained to me that
15 he was moving me from concerns that I may have been
16 too close to employees. And he was making fun of
17 some of the pictures, that I remember, in -- that
18 were sent to them.

19 Q. How was he making fun of the pictures?

20 A. He made a face at me with his tongue
21 sticking out sideways.

22 Q. Why did you perceive that to be making
23 fun of the pictures?

24 A. Because there appears to be pictures
25 of me with my tongue out.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

87

1 Q. GM in new Brick. And he was GM in the
2 old Brick as well. Is that correct?

3 A. When I left old Brick he was.

4 Q. And how long -- when you went back to
5 the new Brick, how long were you reporting to
6 Leonard?

7 A. Approximately a year. Maybe less.

8 Q. And I may have asked you this before,
9 and I apologize, but to the best of your
10 recollection, when did that transfer, the
11 involuntary transfer occur between Manahawkin and
12 new Brick?

13 A. I honestly don't recall.

14 Q. I show you what's been marked as
15 Defendants-23.

16 I'm showing you what's been previously
17 marked for identification as Defendants Exhibit 23.
18 It's a five-page handwritten letter from -- signed
19 by Vickey Citro. Costco 902 to 906. Again, I
20 don't want to mix up between what you may have
21 reviewed in preparation and what you reviewed at
22 the time. Did you see this letter at the time, the
23 time -- actually, this letter has a date.
24 September 17, 2012. Did you see this letter at the
25 time it was written?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

88

1 A. I did not see it on 9/17. I'm sure of
2 that. I'm not sure I understand the question.

3 Q. I think you testified that you were
4 made aware of a complaint that was made by Vickey
5 Citro. Is that correct?

6 A. Yes.

7 Q. How were you made aware of that
8 complaint?

9 A. Leonard told me.

10 Q. Do you recall at the time that Leonard
11 told you about it in or around that time that you
12 -- were you shown Vickey Citro's complaint?

13 A. I was.

14 Q. Okay, good. And is this the complaint
15 that you were shown?

16 A. It looks like it.

17 Q. That's D-23?

18 A. Yes.

19 Q. Can you describe what you recall about
20 the nature of Vickey Citro's complaint, what was
21 she complaining about?

22 A. What the letter reads?

23 Q. Yes.

24 A. I read that she felt that I was
25 calling her and she felt that I was bothering her.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

89

1 Q. So she's working at Manahawkin; you're
2 working at Brick?

3 A. Yes.

4 Q. And you're calling her. Is that
5 right?

6 A. Correct.

7 Q. And the date of this letter, which is
8 the first date we've had in a while, as counsel
9 points out, 9/17/12. September 17, '12. Does this
10 refresh your memory in any way as to when the
11 transfer occurred?

12 A. No.

13 Q. Would it be before September of 2012
14 -- or before -- sorry. Strike that.

15 Before September 17th of 2012. Is
16 that right?

17 A. Yes.

18 Q. But you don't remember whether it was
19 a month before or two months before or more than
20 that.

21 A. No, I'm sorry, I don't.

22 Q. That's fine. So in response -- did
23 you make a written response to Citro's complaint?

24 A. I typed one.

25 Q. You typed one. I have it here.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

90

1 Defendants-24. I'm showing you what's been marked
2 Defendants-24. It's a one-page typed statement.
3 Costco 940 Bates stamp number. Is this your
4 response?

5 A. It appears to be.

6 Q. Any reason it's not signed?

7 A. I can't answer.

8 Q. Okay. Fine.

9 JUDGE CITTA: Is this my copy of that?

10 MR. GALLIGAN: Sorry, sorry. Go
11 ahead.

12 Q. What action, if any, did Costco take
13 with regard to Miss Citro's complaint?

14 A. I recall Leonard having an informal
15 discussion with me, and then he said -- he
16 explained to me that I needed to document it and
17 there was some type of documentation.

18 Q. This is going back in terms of
19 numbers. This is Defendants-15. You can put that
20 away.

21 I'm showing you what's been marked
22 Defendants-15. It's Costco Bates 469, October 8,
23 2012, memo from Leonard to you. Re:
24 Unprofessional conduct. Do you recall this?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

91

1 Q. Does this refresh your recollection as
2 to what action was taken?

3 A. This was taken.

4 Q. This is the action that was taken,
5 right?

6 A. Yes.

7 Q. Is that correct?

8 And that's your signature
9 three-quarters of the way down the page?

10 A. Yes, it appears to be.

11 (Discussion is held off the record.)

12 Q. I'm showing you what's been marked for
13 identification as Defendants-18. Looking at some
14 documents we skipped over. This does not have a
15 Bates number, but I believe it was produced
16 recently. This is a memo on Costco Wholesale
17 stationery, February 8th, 2007, to Costco Warehouse
18 managers and then some individuals who I believe
19 are high-level VPs from Craig Jelinek, CEO,
20 regarding 90-day electronics return policy and
21 concierge program rollout. Do you recall this?

22 A. This specific memo I do not.

23 Q. Do you recall at some point Costco
24 implemented a 90-day return policy?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

93

1 Q. Okay. And who replaced him?

2 A. Bruce Dezendorf.

3 Q. Had you known Bruce prior to him
4 taking over as GM?

5 A. Yes.

6 Q. How did you know him?

7 A. We were both assistants in old Brick
8 at one point.

9 Q. How would you describe your
10 relationship with him when you were both AGMs?

11 A. We had minimal interaction.

12 Q. No issues?

13 A. Not on a regular basis.

14 Q. Okay. Well, what kind of issues do
15 you recall having with him?

16 A. I don't recall specific issues.

17 Q. So he took over as general manager.
18 Do you know where he came from?

19 A. For certainty, no.

20 Q. But he came from outside the
21 building --

22 A. Yes.

23 Q. -- he came from another building?

24 Did you make him aware of the issues
25 you had with Gage?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

94

1 A. Yes.

2 Q. How did you make him aware?

3 A. Informal conversation in the office.

4 Q. And do you recall in sum and substance
5 what you told him?

6 A. Basically just explained my son,
7 briefly described my situation personally, and I
8 explained that, you know, the discussion I had with
9 Leonard.

10 Q. The discussion you had with Leonard is
11 what you testified to this morning about, you know,
12 you could take time off but just make sure the
13 building's covered. Is that right?

14 A. Correct.

15 Q. And what was Bruce's response when you
16 told him about the discussion you had with Leonard?

17 A. Verbatim, I can't answer, but it was
18 along the lines of he was in agreement with it.

19 Q. Okay. Now, towards -- I direct your
20 attention to, I guess, September -- September and
21 October of 2014. So the last two months that you
22 worked there.

23 A. Okay.

24 Q. I want to focus on that time frame.
25 At some point -- well, actually, strike that.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

99

1 A. I believe he was.

2 Q. It's fair to say he's a long-term
3 employee at that location?

4 A. I don't -- I don't know.

5 Q. Well, he was there when you first came
6 there, right?

7 A. I believe he was. I don't know what
8 classifies as "long term."

9 Q. But he was there when you first came
10 to Brick, right?

11 A. Yes.

12 Q. And he was there when you left in two
13 thousand -- he was there when you came back in
14 2012.

15 A. Yes.

16 Q. And he was there when you left in
17 2014. Correct?

18 A. I believe he was still there when I
19 left, yes.

20 Q. Do you know any other disabled
21 employees at Brick? At least in the 2012-2014 time
22 frame?

23 A. Not that I can recollect at this time.

24 Q. Do you recall Bruce Dezendorf taking a
25 vacation in the time frame of September,

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

100

1 October 2014?

2 A. I do recall him taking a vacation.

3 Q. Okay. Do you recall where he went?

4 A. No, I don't.

5 Q. And do you recall having a
6 conversation with him before he left about taking
7 time off to take care of Gage?

8 A. I don't recall that.

9 Q. Do you recall him telling you when he
10 told you that you could take time off, to make sure
11 to let him know? Do you recall that part of it?

12 A. No.

13 Q. Are you saying that didn't happen or?

14 A. I don't recall that.

15 Q. At the time that he took this
16 vacation, again, the September, October 2014 time
17 frame, what issues were you having with Gage that
18 would pull you out of work?

19 A. Specifically on what days what
20 happened, I can't attest to, but the typical issues
21 I would have with him is in the morning if I woke
22 up -- he woke up before I left, he wouldn't -- he
23 wouldn't let me go. I also had difficulties with
24 him getting on and off the bus. Difficulties with
25 him getting on the bus at school. Having

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

103

1 Q. Okay. And in that situation who did
2 you notify at work? Presuming that day you're at
3 work, right? And you're working away and you get
4 the call from the school. How did you deal with
5 that in terms of notifying somebody at work that
6 you have to go?

7 A. What I have done, whatever other
8 assistant would be there, I would make sure that
9 there was -- if there was customers in the
10 building, talk to the other assistant and notify
11 them what's going on, make sure that they're going
12 to be there, and I would leave from the building.
13 I fortunately never ran into a situation where
14 there wasn't an assistant to help me.

15 Q. And prior to Bruce going on
16 vacation -- that's September, October. I don't
17 have a fixed time right now, but. Prior to him
18 going on vacation, you had, basically, as I
19 understand it, a couple of years of up and downs
20 with Gage where sometimes you'd have to leave the
21 building or come in late. Is that right?

22 A. I can't attest to when or how that
23 affected me then because I was in different
24 positions at different time slots. Sometimes the
25 time slots worked well. Like, when I was in

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

104

1 administration, I'd be coming in later, so I was
2 able to attend to him in the morning without any
3 issue.

4 Q. Yeah. Okay. But the times that you
5 have to leave or come in late or leave early or
6 leave in the middle of the day and you notified the
7 other GM or whoever it was you had to notify, did
8 Bruce have any -- prior to going on vacation in
9 September, did he have any issue -- did he express
10 any issue to you that he was having with you taking
11 time off?

12 A. No. Not that I recall.

13 Q. So you would just take the time off as
14 needed, notify whoever you had to notify, take care
15 of your son. Is that right?

16 A. That sounds pretty close.

17 Q. Right, okay. And you were salaried,
18 so you just got paid your salary no matter how many
19 hours you worked, correct?

20 A. Yes.

21 Q. And again, prior to Bruce going on
22 vacation in September, October 2014 time frame, you
23 don't recall him telling you, you know, words to
24 the effect of, I don't mind, take care of your son
25 as you need to, but just let me know, you know,

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

105

1 that you're not in the building?

2 A. I don't specifically recall that
3 conversation.

4 Q. Okay. So you recall his vacation; you
5 don't recall the exact dates, and you don't recall
6 where he went to, but he was out of the building
7 for how long on vacation?

8 A. I don't know.

9 Q. Okay. So the period of time that he
10 was out on vacation, was that a particularly
11 problematic time for Gage?

12 A. My recollection, yes, I had a few
13 issues then, that particular week.

14 Q. So did that cause you to come in late
15 or leave early or both?

16 A. I'm not sure about that particular
17 week. So I can't answer whether it was late or
18 early or both.

19 Q. Okay. Would there be any records of
20 you coming in late or leaving early that the
21 company should have or might have?

22 A. Not that I'm aware of.

23 Q. So you would just leave, tell
24 somebody, you'd go and take care of your son and
25 come back in later or the next day, whatever.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

106

1 Right? There was no documentation on it.

2 A. I didn't punch a time clock.

3 Q. Right.

4 A. If that answers your question.

5 Q. Yeah, I mean, you didn't punch a time
6 clock, so there wouldn't be a record, electronic
7 record of when you came into the building and left.
8 There wouldn't -- as far as you know, there weren't
9 any notes that were exchanged, like you would write
10 a note and say I'm leaving --

11 A. No.

12 Q. -- or anything like that.

13 A. No.

14 Q. As you sit here today, you don't
15 recall -- you said you recall that you had a few
16 issues with Gage the week or so he was on vacation,
17 but you don't recall if that caused you to come in
18 late or leave early or both. Is that fair to say?

19 A. It's fair.

20 Q. So do you recall in the week, that
21 week in question did you come in late or leave
22 early every day?

23 A. I don't believe so.

24 Q. Do you recall how many times in that
25 week you left early or came in late?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

109

1 Q. When did he approach you?

2 A. How long after he came back, I don't
3 know. I don't recall when he came back.

4 Q. Sometime after he came back.

5 A. Sometime after he came back.

6 Q. And where did this conversation take
7 place?

8 A. In the office.

9 Q. Anyone else present?

10 A. No.

11 Q. Did you record that conversation?

12 A. No.

13 Q. Did you write any memo afterwards or
14 email to document the conversation?

15 A. The only thing I wrote was the
16 one-paragraph statement that he asked me to write.
17 That's the only documentation I have from that.

18 Q. We'll get to the documents in a few
19 minutes. Just describe that conversation between
20 the two of you in the office, the best you can.

21 A. Um, the part I recollect is he asked
22 me to speak to me, so he came in the office. I sat
23 down at my desk. He came in and immediately
24 started talking to me about leaving early and
25 accused me of stealing company time.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

110

1 I immediately responded back about my
2 son. We had a brief conversation about that and he
3 moved onto another subject.

4 Q. What was the other subject?

5 A. Um, about the office tea kettle, some
6 oatmeal, going out the tire center door. And
7 obviously talked to me first about that, about the
8 time off.

9 Q. Okay. So the conversation opened
10 about the time off. Is that right?

11 A. Yes. Absolutely.

12 Q. And then it moved onto the subject of
13 the tea kettle and the other stuff.

14 A. Yes.

15 Q. So when you explained to him about
16 your son, did you also explain to him that, you
17 know, hey, you know, we have -- we have an
18 accommodation already, you know, I get to take time
19 off as needed to take care of my son as long as I
20 let anyone know. Did you remind him of that?

21 A. Yes. Not in those words, but yes.

22 Q. What did he say?

23 A. Um, I just recall continuing to
24 explain more of what was going on and what the
25 situation with him was, with my son.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

111

1 Q. Yeah.

2 A. And I don't recall him ever either
3 saying anything else after that about it. I just
4 recall him moving on.

5 Q. Okay. He moved onto that other
6 subject.

7 A. Yes.

8 Q. Right?

9 A. The order of those subjects, I'm not
10 clear -- I'm not a hundred percent.

11 Q. It's okay. Well, we'll get to that.
12 Did he mention that somebody had complained about
13 you taking a lot of time off while he was on
14 vacation?

15 A. He said it was brought to his
16 attention.

17 Q. Brought to his attention. Okay.

18 A. Something along those lines.

19 Q. Did he explain what was brought to his
20 attention?

21 A. Just said "some issues."

22 Q. Some issues?

23 A. That's what he was referring to. I
24 guess the list.

25 Q. The issues -- strike that.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

112

1 So did he say that it was brought to
2 his attention that you had left early or come in
3 late a lot while he was on vacation? Do you recall
4 that?

5 A. Not in those terms, but I do recall
6 him saying that.

7 Q. Him saying what?

8 A. That I did come in late. He said I
9 came in late and left early while he was on
10 vacation.

11 Q. Did he, Bruce, discipline you for
12 leaving early, coming in late?

13 A. No. Not that I recall.

14 Q. Okay. Let's talk about these other
15 issues, the tea kettle, the oatmeal, for a minute,
16 if I may. Prior to Bruce going on vacation, did he
17 ask you any questions about the tea kettle?

18 A. Yes.

19 Q. So prior to vacation what did he say
20 to you and what did you say to him about the tea
21 kettle?

22 A. I don't remember verbatim.

23 Q. Right.

24 A. I do recall him asking me about the
25 tea kettle. I assume he asked me because the box

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

113

1 was under my desk still. I said that should have
2 been put on the supply card; I'll verify with Ronn
3 and make sure it was put on.

4 Q. What's the supply card?

5 A. It's a card that's just for anything
6 that's needed within the building or the office
7 that's on the sales floor.

8 Q. Who has the authority to put items on
9 the supply card?

10 A. Actually ring them up on the supply
11 card?

12 Q. Yes.

13 A. Several people, but I always bring
14 that to the attention of the administration manager
15 so I know that he's aware.

16 Q. So if you want to use something from
17 the floor in the office, such as a tea kettle, all
18 right, the procedure is to notify the
19 administration manager and have him put it on the
20 supply card? Is that right?

21 A. Well, generally the person who gets
22 the supply card goes up, rings it up at the
23 register, and that's how it's rung up. And then
24 the card goes back to the mall clerk.

25 Q. All right.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

114

1 A. There's numerous occasions where we'll
2 pull stuff off the floor when we need it, pull the
3 UPC, hold it for the administration manager and
4 tell him it needs to go on the supply card.

5 Q. Do you know why items have to be put
6 on the supply card?

7 A. Um.

8 Q. I mean items for the office. Use of
9 the office.

10 A. I would assume to track expenses.

11 Q. Right. It's an inventory issue, isn't
12 it?

13 A. That's a way of putting it, yes.

14 Q. Typically, what type of items are put
15 on the supply card?

16 A. It could be anything.

17 Q. Give me an example.

18 A. Tape. It could be coffee pot. Tea
19 kettle.

20 Q. Right.

21 A. TV.

22 Q. Right.

23 A. It could literally be anything that's
24 needed.

25 Q. Needed in the office.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

115

1 A. In the building.

2 Q. In the building for --

3 A. Any department.

4 Q. -- for anybody to work, you know, any
5 department, basically to facilitate them doing
6 their jobs. Whatever reason.

7 A. Or with approval, yes.

8 Q. With approval, right.

9 So before Bruce left on vacation, he
10 asked you about the tea kettle, which was I guess
11 in -- near your desk? Is that right?

12 A. It's between the desks. On the
13 counter.

14 Q. And what did you say to him?

15 A. I said, "I asked Ronn to put it on the
16 supply card and I will verify that it was."

17 Q. And Ronn is who?

18 A. He's the administration manager.

19 Q. So you told Bruce words to the effect
20 of "I asked Ronn to put it on the supply card and
21 I'll verify that he did." Words to that effect?

22 A. Words to that effect.

23 Q. And did you check with Ronn that day
24 to see if it had been put on the supply card?

25 A. I don't recall if I checked that day.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

116

1 Q. When did you check?

2 A. I don't know the date I checked with
3 him.

4 Q. When you told -- what was -- when you
5 told Bruce you were going to check with Ronn to see
6 if it was on the supply card, what did he say, if
7 anything? Of substance.

8 A. I don't recall.

9 Q. Okay. Prior to going on vacation, did
10 you have any conversation with Bruce about any of
11 the other items that bubbled up afterwards?

12 A. Yeah. He also at the same time of the
13 tea kettle, he asked me about the oatmeal.

14 Q. What did he ask you about the oatmeal?

15 A. Just asked me if it was paid for.

16 Q. And what did you say?

17 A. Yes.

18 Q. That's it? Simple as that?

19 A. Simple as that.

20 Q. So you said you were asked to write a
21 statement? Is that right, about these issues?

22 A. No. I was only asked to write a
23 statement about one item?

24 Q. About one item? Okay. What item was
25 that?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

120

1 enough of the tea kettle for now.

2 The oatmeal. Specifically what was
3 discussed about the oatmeal in that meeting in
4 Bruce's office after his vacation?

5 A. He asked me if it was paid for.

6 I said yes.

7 He said they pulled up my -- how I
8 paid for it. Because he can't find the transaction
9 on my membership card.

10 I said I didn't purchase it. I said
11 my girlfriend did in Manahawkin. She left
12 Manahawkin without it, so I took it off the floor
13 here.

14 Q. What was Bruce's response, if any, to
15 that?

16 A. His exact response, I don't recall.

17 Q. Okay. Do you recall the sum and
18 substance of his response?

19 A. Basically repeating back to me kind of
20 all right, so you didn't pay for it here; she
21 bought it over there and left it and -- kind of --
22 something along those lines.

23 Q. Now, you had had a conversation before
24 Bruce went on vacation about the oatmeal, correct?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

121

1 Q. Brief conversation. You told him --
2 he asked you if you paid for it. You said yes.

3 A. He asked me if it was paid for.

4 Q. If it was paid for and you said yes.

5 A. Yes.

6 Q. You didn't explain to him this whole
7 thing about your girlfriend buying it, forgetting
8 it in Manahawkin, did you?

9 A. Correct, no, I did not.

10 Q. Okay. So do you recall any other
11 issues that were raised in that meeting besides the
12 tea kettle and the oatmeal and of course the issue
13 with your son we discussed?

14 A. Exiting through the tire center.

15 Q. Describe what was discussed about
16 that.

17 A. He asked me if I left through the tire
18 center door.

19 I said I did.

20 He asked me why.

21 I said the exact reason I was talking
22 to the tire shop manager at that point; I don't
23 recall, and I still don't, but on occasion I'd have
24 to relay information or whatever the case may be,
25 communication with the tire shop manager, and if

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

123

1 Q. Do you understand the policy about
2 everyone leaving through the exit door of the
3 building, employees and members?

4 A. Am I aware of it?

5 Q. Yeah.

6 A. Um -- can't say I was fully aware of
7 it.

8 Q. So is it not true that members and
9 employees are required to leave and have their
10 receipts checked if they have product at the exit
11 door of the warehouse?

12 A. That's correct.

13 Q. Right. Do you understand the reason
14 why that would be -- why Costco would want that to
15 happen?

16 A. Yes.

17 Q. Why?

18 A. To make sure that there's controls in
19 place.

20 Q. Right. There are Costco employees,
21 member service employees at the door checking
22 receipts, correct?

23 A. There's member service people at the
24 door verifying -- marking receipts.

25 Q. Right. That's their job, right?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

124

1 A. To mark receipts, yes.

2 Q. Do you recall the name of the tire
3 center manager?

4 A. Bill Poser.

5 Q. Bill Poser, thank you.

6 Did you tell Bruce that you had your
7 receipt checked by Bill Poser, the tire center
8 manager?

9 A. I did.

10 Q. Flowers was the product you had,
11 correct?

12 A. That's what I remember.

13 Q. What was Bruce's response when you
14 told him that Bill Poser had checked your receipt?

15 A. I don't recall what reaction he had or
16 if he had a reaction.

17 Q. Okay. Did Bill Poser report to you in
18 the building?

19 A. He did.

20 Q. Had you ever left through the tire
21 center with product before this?

22 A. Yes.

23 Q. And who would check your receipt in
24 those situations?

25 A. Either tire shop supervisor or Bill

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

127

1 A. Yes.

2 Q. Before we get into the documentation,
3 when you say the TV, tell me what Bruce raised and
4 how you responded.

5 A. That I did a return on a TV for my
6 brother.

7 Q. Okay. That's what he said. Bruce
8 said.

9 A. I don't know verbatim what he said.

10 Q. I know you don't know verbatim, but
11 sum and substance.

12 A. He brought up the issue I did a return
13 on the old TV for my brother.

14 Q. And how did you respond in sum and
15 substance?

16 A. Um, that I didn't do the return, that
17 I was involved, but I did not do the return.

18 Q. How were you involved?

19 A. I was -- I went over there and I
20 helped them look in the computer to show that it
21 was a justified return, and once the return clerk
22 saw that, then I called for somebody else to
23 approve it.

24 Q. Okay.

25 A. Because I know I can't approve it.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

128

1 Q. Why can't you approve it?

2 A. Because it's my brother.

3 Q. Right. Okay. So you told Bruce that
4 you didn't do the return. Did you tell him
5 anything else?

6 A. We definitely discussed it. In what
7 order, I don't know precisely, but we definitely
8 discussed it with some more detail. I did explain
9 I was over and I did pull it up on the screen,
10 showed the return.

11 I also pointed out that once they were
12 going to do the return, that they were going to
13 refund him the full price, and I stopped it to show
14 them that there was a price adjustment done a
15 couple -- a few years back after they purchased it,
16 that he doesn't get the full price back. Because
17 there was a price adjustment done.

18 And then I had Daryl, who was the
19 front end supervisor, look at it, asked him --
20 showed him the screen where it showed it was okay
21 to return, asked him if he's okay with it. He said
22 yes. And then I asked him if he could assist in
23 getting him another TV. That's the meat of it.

24 Q. Right. This is what you told Bruce.

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

134

1 Q. Regional vice president. What was his
2 role with regard to the Brick warehouse, the new
3 Brick warehouse?

4 A. He would be Bruce's supervisor.

5 Q. Okay. So going to the meat of this is
6 the two-page memo, undated memo from Bruce
7 Dezendorf to Paul Pulver, Costco 868, 869.

8 So this is Bruce's memo. I'm just
9 going to ask you if what's true and what's not true
10 in what he's written here, okay?

11 A. Okay.

12 Q. So going through the allegations.
13 Number one, the tea kettle. The allegation is that
14 you removed the tea kettle off the floor for use in
15 the office. Is that true?

16 A. It is true that I put it in there for
17 use in the office.

18 Q. Bruce writes here, the second
19 sentence: "Jeff admits to taking the kettle from
20 the floor and setting it up on his desk to be used
21 by the office." Is that true?

22 A. No, it wasn't on my desk. It was in
23 between the desks. For public use. For the rest
24 of the employees to use.

25 Q. It wasn't on the desk, okay.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

135

1 He writes here that you stated to him
2 on 9/22/14, September 22nd, "When asked where the
3 tea kettle came from, that it was put on the supply
4 card." Is that what you told him?

5 A. Should have been put on the supply
6 card.

7 Q. So you didn't -- on September 22nd you
8 did not tell Bruce that it had been put on the
9 supply card. You said it should have been.

10 A. Yes.

11 Q. "When asked by me on October 9th." So
12 let me just hold there for that date. You don't
13 recall the date of the meeting you had with Bruce
14 that we just discussed for, like, a half an hour.
15 You don't recall that date, do you?

16 A. The first meeting, I recall it on the
17 9th of October.

18 Q. So you do, okay. All right. So when
19 he's talking about the 9th of October meeting,
20 that's --

21 A. That is the first time --

22 Q. -- accurate in terms of the date. Is
23 that right?

24 A. Yes.

25 Q. So he's writing here that -- when he

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

136

1 asked you about the tea kettle -- why the tea
2 kettle was not on the supply card on October 9th,
3 you responded that you had just given the UPC --
4 that's, I guess, the bar card is it?

5 A. Bar code.

6 Q. Bar code. You had just given the UPC
7 from the box to Ronn Neil, the min manager, and
8 told him to put it on the supply card. Is that
9 what you said?

10 A. It is.

11 Q. All right. So move on to the oatmeal.

12 A. There was more.

13 Q. Sorry, go ahead.

14 A. As far as me giving it to him. I had
15 cut it out and handed it to him, so it wasn't on
16 the box.

17 Q. All right. You handed him the UPC --

18 A. Just the UPC without the box.

19 Q. Right. And that would be the -- I
20 guess you cut out the bar code, effectively, right?

21 A. Yes.

22 Q. So with the oatmeal, the second
23 sentence, he said -- he says, he reports here that
24 when you were asked by him on September 22nd, you
25 said you purchased the oatmeal. Is that true?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

137

1 A. No.

2 Q. What's not true about it?

3 A. He asked me if the oatmeal was
4 purchased. I said yes.

5 Q. And when he questioned you again on
6 October 9th, you stated that your girlfriend
7 purchased the item at Manahawkin on September 6th
8 and did not bring the item home, so you took one of
9 the units off the floor at Brick. Is that
10 accurate, what you told him?

11 A. Yes.

12 Q. So the oatmeal, if you look at --
13 going through these documents, there is a receipt,
14 or I guess transaction detail report, not an actual
15 receipt, Costco 882. And underlined in there is a
16 -- it says, Carol Murray's transaction detail
17 report from September 6th. Is that right?

18 A. Yes.

19 Q. And it shows the purchase of the
20 oatmeal. Is that right?

21 A. Yes.

22 Q. And that's underlined in the document
23 you have.

24 A. Yes.

25 Q. Okay. All right. And it says here,

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

142

1 didn't get full refund?

2 A. I did not.

3 Q. Like you said earlier, Daryl -- you
4 got Daryl to -- to do the override. Is that right?

5 A. I got Daryl to overlook what I showed
6 him and he did the override.

7 Q. Right. And that would be -- that
8 would be standard policy if somebody was in this
9 situation. Is that right? To get another
10 supervisor, a manager, to do the override, correct?

11 A. Because it was my brother.

12 Q. Right.

13 A. Yes.

14 Q. Yeah, because it was your brother,
15 you're not going to do the override yourself.

16 A. Correct.

17 Q. Thank you.

18 So, again, going back to the bold part
19 of this section here, the last sentence: "Allowing
20 his family member to purchase a 75-inch Samsung TV
21 with extended warranty for \$237."

22 Were you aware of that?

23 A. After the fact.

24 Q. Okay. When you say "after the fact,"
25 what do you mean?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

153

1 Is that true?

2 JUDGE CITTA: That statement, "Jeff
3 never spoke to me at any time to have the return
4 approved for a family member."

5 MR. GALLIGAN: That's the sentence.

6 JUDGE CITTA: You're asking him if
7 that statement by Bruce --

8 MR. GALLIGAN: Is true.

9 JUDGE CITTA: -- is a true statement.

10 MR. GALLIGAN: Yes.

11 A. I can't answer that. I -- I'm not
12 sure how to answer that question.

13 Q. Well, let me ask it a different way
14 then.

15 A. Please.

16 Q. At any point on the 20th did you say
17 to Bruce, Hey -- words to the effect of, "Hey, my
18 brother's going to come in to return an
19 eight-year-old TV; is that okay"?

20 A. I did not.

21 Q. Did it not even cross your mind to do
22 that?

23 A. No.

24 Q. You didn't think this was
25 questionable, a questionable return?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

160

1 Q. All right. So a two-page statement is
2 dated 10/10/14. And then there's another statement
3 that's undated that's Costco 881. Do you know
4 which came first?

5 A. 881.

6 Q. 881 came first, okay.

7 Do you remember when you wrote that,
8 the statement that's on the page 881?

9 A. The day he initially spoke to me.

10 Q. So that would be the 9th.

11 A. That would be the 9th.

12 Q. So when you said earlier that -- when
13 you testified about that meeting on the 9th and he
14 asked you to write a statement, this is the
15 statement that you wrote. Correct? The 881,
16 that's on 881?

17 A. That's what Bruce asked me to write.

18 Q. Right, and that's what you wrote.

19 A. Yes.

20 Q. And that addresses the tea kettle --
21 just the tea kettle, correct?

22 A. Yes.

23 Q. No, I'm sorry. The oatmeal. Tea
24 kettle and the oatmeal, correct?

25 A. Correct.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

161

1 Q. And then the followup statement, which
2 is written the next day, if I got the dates right.
3 Why did you write the second statement, the longer
4 one?

5 A. Bruce handed me what looks to be this
6 paper.

7 Q. You're pointing to?

8 A. 878.

9 Q. These are handwritten notes that are
10 on 878?

11 A. I don't know if there was another
12 page. He handed me notes and asked me to write a
13 new statement based on the questions he put in
14 front of me.

15 Q. Okay. So is it your understanding
16 that these notes are Bruce's notes? Is this
17 Bruce's handwriting?

18 A. I can only tell you that Bruce handed
19 them to me.

20 Q. All right. So you don't know who
21 wrote them.

22 A. I don't.

23 Q. That's perfectly fine. And then you
24 wrote this statement which is 879, 880.

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

175

1 Q. "He" being Bruce?

2 A. Correct.

3 Q. Do you know who made the decision to
4 suspend you?

5 A. No.

6 Q. I'll show you what has been marked as
7 Defendants-26. It's two pages, but they're really
8 not connected so much. So the first page of
9 Defendants-26 appears to be an Employee Counseling
10 Notice where you were suspended for five days
11 without pay pending further review. Right --

12 A. Yes.

13 Q. -- is that what you're referring to?
14 The suspension?

15 A. Correct.

16 Q. Is that what you're referring to?

17 A. That's what I'm referring to.

18 Q. Tell me how that happened, who was
19 there, what was said.

20 A. I don't know who made the decision,
21 but Bruce brought me in. I think Peter was in the
22 room. He explained to me that I was being
23 suspended pending further review.

24 Then he kind of went along the lines
25 explaining to me that I probably -- possibly be

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

176

1 demoted -- probably be demoted, it wasn't sure, and
2 be relocated. And that my new warehouse manager
3 would be back in touch with me to let me know where
4 I would be -- where I would need to report to.
5 Along those lines.

6 Q. Did you understand that the decision
7 was made somewhere above Bruce's head?

8 A. That's what he said.

9 Q. Do you have any reason to dispute
10 that?

11 A. That's just what he told me. I don't
12 know anything about it. All he said was that it's
13 not his -- it's out of his hands.

14 Q. Right. Okay. And he told you that
15 you'd probably be demoted and/or transferred. Is
16 that right?

17 A. He told me I would be transferred,
18 probably demoted and that my new warehouse manager
19 would be in touch with me to let me know where to
20 report.

21 Q. That didn't happen. You were
22 terminated, correct?

23 A. Correct.

24 Q. And this is your signature on the
25 document?

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

177

1 A. Yes, it is. It appears to be my
2 signature.

3 Q. And you got a copy of this at the
4 time? Just the first page.

5 A. I believe I did.

6 Q. Did you have any response to Bruce
7 when he gave you the news and told you what may
8 happen?

9 A. At that point, no, I didn't. I just
10 -- I did not. I don't remember having much of a
11 response. I definitely wasn't, um -- I was -- how
12 do I explain? I didn't have much of a response. I
13 just accepted what he told me and had to wait for
14 pending for further review.

15 Q. Okay. So you were just waiting, then,
16 for that five-day period? You were just going to
17 wait?

18 A. Yeah. See what comes of it.

19 Q. All right. So the next page is an
20 email from Jeff Long to Bruce Dezendorf, cc to Paul
21 Pulver. Who's Jeff long?

22 A. Jeff Long is Paul Pulver's supervisor.

23 Q. So he's the senior VP in the chain
24 that you described earlier?

25 A. Yes.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

180

1 12:30 today."

2 So your termination was on
3 October 21st. Is that correct?

4 A. That's what the papers indicate, yes.

5 Q. Did you recall the date?

6 A. I don't recall the date specifically.

7 Q. Can you describe how that termination
8 took place?

9 A. He brought me in with Peter in the
10 room. Sat down, and he said came down from above
11 him that I was being terminated. And I did
12 question, I said, I thought I was being possibly
13 demoted and relocated. He says it's beyond his
14 control.

15 Q. Okay. And you still don't know who
16 actually made the decision to terminate your
17 employment. Is that right?

18 A. I questioned who to speak to, and he
19 gave me the typical "Paul, Jeff." Paul Pulver,
20 Jeff Long. He asked me to -- he told me I can -- I
21 asked who do I contact, and he said, he indicated
22 that I can call Jeff Long or Paul Pulver. Which I
23 intended to do. And did.

24 Q. Okay.

25 A. Or tried to do, I should say.

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

185

1 on page three. So we'll go page number and then
2 paragraph number?

3 "Plaintiff," that's you, "had risen to
4 the position of general manager through a series of
5 meritorious promotions."

6 You see that?

7 A. I do.

8 Q. Right. That's not strictly correct,
9 is it?

10 A. Assistant general manager.

11 Q. Assistant general manager. But you
12 did get a series of promotions to assistant general
13 manager. Is that right?

14 A. Yes.

15 Q. You'd been promoted up the chain from
16 -- what was your first position again?

17 A. Forklift operator.

18 Q. Forklift operator all the way up to
19 assistant general manager. Is that right?

20 A. Yes.

21 Q. Paragraph seven on the next page, page
22 four. "Defendants Costco Wholesale Corporation and
23 Bruce Dezendorf had earlier been made aware of
24 plaintiff's disabled son when plaintiff made a
25 formal request for intermittent family leave or an

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

186

1 accommodation."

2 Did you make a formal request for
3 intermittent family leave during this period of
4 time?

5 A. Could you define "formal" for me,
6 please?

7 Q. I was going to ask you.

8 Let me put it this way. Did you make
9 any kind of request for intermittent family leave
10 from Bruce?

11 A. I had a conversation with Bruce,
12 explaining the agreement I had with the previous
13 GM, asking if this was okay. He confirmed it was
14 okay.

15 Q. Right. So that is -- that's the
16 closest we have to the formal request for
17 intermittent leave, what's written in here?

18 A. Yes.

19 Q. There's nothing else that I'm missing?

20 A. Correct.

21 Q. There's no paperwork that was
22 submitted, correct?

23 A. Correct.

24 Q. Okay. Paragraph ten on the same page,
25 alleges that you were reprimanded and chastised by

Jeffrey Bowie v. Costco Wholesale Corporation, et al.
June 18, 2018

193

1 Q. He was also as general manager?

2 A. Yes.

3 Q. He was -- I guess was he present in
4 the suspension meeting or the termination meeting
5 or both?

6 A. I think both.

7 Q. Both, okay.

8 Other than being present during the
9 termination and suspension meeting, does he have
10 any other knowledge that you know of pertaining to
11 your case?

12 A. Yes.

13 Q. What is his other knowledge?

14 A. He's aware that I had to leave to help
15 my son.

16 Q. Other than that.

17 A. That my son has autism.

18 Q. Anything else?

19 A. As far as what else he knows, I don't
20 know.

21 Q. Skip Bruce. Unless there's something
22 else that Bruce said to you or did to you that was
23 not discussed today that pertains to your case?

24 A. Not that I can recollect at this time.

25 Q. James Mack is another assistant

Exhibit 2

Sheet 1 (1-4)

<div>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</div> <div>UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY CIVIL ACTION NO. 3:16-CV-05808-BRM-LHG</div> <div>-----x JEFFREY BOWIE, Plaintiff, vs. COSTCO WHOLESALE CORPORATION, BRUCE DEZENDORF; and JOHN AND JANE DOES 1-10 (fictitious names), Defendants. -----x</div> <div>DEPOSITION OF: BRUCE DEZENDORF DATE: WEDNESDAY, JULY 11, 2018</div> <div>T R A N S C R I P T of the deposition in the above-entitled matter by and before GERALDINE ADINOLFI, a Certified Court Reporter, License Number 30XI00228000 of the State of New Jersey, held at the offices of DENOIA TAMBASCO & GERMANN, ESQS., 501 Main Street, Toms River, New Jersey, on July 11, 2018, commencing at 10:10 in the morning.</div>	<div>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</div> <div>A P P E A R A N C E S</div> <div>DENOIA TAMBASCO & GERMANN, ESQS. BY: THOMAS DENOIA, ESQ. BY: JUDGE JAMES N. CITTA 501 Main Street Toms River, New Jersey 08753 Telephone: 732.341.1030 Email: Tom@denoiatambasco.com Attorneys for Plaintiff</div> <div>SEYFARTH SHAW, LLP. BY: PAUL GALLIGAN, ESQ. 620 Eight Avenue New York, New York 10018 Telephone: 212.218.5500 Email: Pgalligan@seyfarth.com Attorneys for Defendant</div>																														
<div>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</div> <div>I N D E X</div> <table><tr><td>WITNESS</td><td>DIRECT</td><td>CROSS</td><td>REDIRECT</td><td>RECROSS</td></tr><tr><td>BRUCE DEZENDORF</td><td></td><td></td><td></td><td></td></tr><tr><td>BY: MR. DENOIA</td><td>4</td><td></td><td></td><td></td></tr></table> <div>E X H I B I T S</div> <table><tr><td>EXHIBIT</td><td>DESCRIPTION</td><td>PAGE</td></tr><tr><td>P-1</td><td>Defendants' objections and Responses to Plaintiff's Interrogatories</td><td>31</td></tr><tr><td>P-2</td><td>Memo</td><td>45</td></tr><tr><td>P-3</td><td>E-mails</td><td>60</td></tr><tr><td>P-4</td><td>Evaluation**</td><td>82</td></tr></table> <div>**retained by counsel</div>	WITNESS	DIRECT	CROSS	REDIRECT	RECROSS	BRUCE DEZENDORF					BY: MR. DENOIA	4				EXHIBIT	DESCRIPTION	PAGE	P-1	Defendants' objections and Responses to Plaintiff's Interrogatories	31	P-2	Memo	45	P-3	E-mails	60	P-4	Evaluation**	82	<div>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</div> <div>BRUCE DEZENDORF, first having been duly sworn, testified as follows: DIRECT EXAMINATION BY MR. DENOIA: Q. Good morning. A. Good morning. Q. Why was Jeff Bowie fired? A. Violation of the manager's standard of ethics. Q. Explain. A. He violated the manager's standard of ethics by -- there was a hint, or there was some things that were questionable, and he did not get a partner and ask for some help. There were a lot of things that happened. Q. What do you mean, get a partner? Explain that. A. Any time your motives could be questioned for something, you should ask for help from someone else, get a partner, talk it out with another manager, usually your superior. Q. Are you referring to any specific incident? A. The television that he returned for his -- that he authorized the return for his</div>
WITNESS	DIRECT	CROSS	REDIRECT	RECROSS																											
BRUCE DEZENDORF																															
BY: MR. DENOIA	4																														
EXHIBIT	DESCRIPTION	PAGE																													
P-1	Defendants' objections and Responses to Plaintiff's Interrogatories	31																													
P-2	Memo	45																													
P-3	E-mails	60																													
P-4	Evaluation**	82																													

Sheet 4 (13-16)

<p style="text-align: right;">13</p> <p>1 Q. What were your job duties there?</p> <p>2 A. I was a truck loader. I was a</p> <p>3 sorter, and I was also an on-call air driver for a</p> <p>4 period of time.</p> <p>5 Q. Why did you leave UPS?</p> <p>6 A. I'm legally blind in my left eye. I</p> <p>7 have 20/50 vision. They strung me along for years</p> <p>8 telling me I could be a driver, and then they</p> <p>9 changed the rules, and I could not become a</p> <p>10 full-time driver.</p> <p>11 Q. Were you terminated, or did you</p> <p>12 leave?</p> <p>13 A. I left.</p> <p>14 Q. What was your next position?</p> <p>15 A. I started to advance at Costco. I</p> <p>16 was working at Costco at the same time I was working</p> <p>17 at UPS, so I dedicated my career to Costco.</p> <p>18 Q. What was your first position at</p> <p>19 Costco?</p> <p>20 A. Part-time food stocker.</p> <p>21 Q. And which Costco were you working at?</p> <p>22 A. Costco Brick, 229. It was on</p> <p>23 Route 88 and Route 70.</p> <p>24 Q. And how many hours a week were you</p> <p>25 working at the time?</p>	<p style="text-align: right;">14</p> <p>1 A. At Costco?</p> <p>2 Q. Yes.</p> <p>3 A. Twenty-five to forty.</p> <p>4 Q. And what was your next position at</p> <p>5 Costco?</p> <p>6 A. Part-time forklift driver, cooler</p> <p>7 stocker.</p> <p>8 Q. How many hours a week did you work in</p> <p>9 that position?</p> <p>10 A. Twenty-five to forty.</p> <p>11 Q. How many years did you do that?</p> <p>12 Strike that.</p> <p>13 How long did you do that?</p> <p>14 A. Those two jobs were about three</p> <p>15 years.</p> <p>16 Q. At some point, you obtained a</p> <p>17 full-time position at Costco?</p> <p>18 A. Yes.</p> <p>19 Q. And what position was that?</p> <p>20 A. Full-time forklift driver.</p> <p>21 Q. When did you first meet Jeff Bowie?</p> <p>22 A. I don't know.</p> <p>23 Q. He was also a forklift driver; is</p> <p>24 that correct?</p> <p>25 A. I don't know. When I met him, he was</p>
<p style="text-align: right;">15</p> <p>1 an assistant warehouse manager.</p> <p>2 Q. Okay. How long were you a forklift</p> <p>3 driver?</p> <p>4 A. Five to six years.</p> <p>5 Q. While you were a forklift driver, did</p> <p>6 you have any interaction with Jeff Bowie?</p> <p>7 A. No.</p> <p>8 Q. What was your next position?</p> <p>9 A. Seasonal supervisor.</p> <p>10 Q. Now, I am making the assumption there</p> <p>11 were no breaks in employment; is that correct?</p> <p>12 A. Correct.</p> <p>13 Q. What is a seasonal supervisor?</p> <p>14 A. I was promoted to supervisor, which</p> <p>15 was a dollar more an hour, to run the seasonal area</p> <p>16 of Costco.</p> <p>17 Q. When you say run the area, what were</p> <p>18 your job duties?</p> <p>19 A. Stock it, make sure the signs were</p> <p>20 up, make sure we were show time ready at 9:45.</p> <p>21 Q. And how long did you have that</p> <p>22 position?</p> <p>23 A. Six months.</p> <p>24 Q. Okay. Then what happened?</p> <p>25 A. I was promoted to foods manager.</p>	<p style="text-align: right;">16</p> <p>1 Q. Is this still at the Brick store?</p> <p>2 A. Yes.</p> <p>3 Q. What were your job responsibilities</p> <p>4 as foods manager?</p> <p>5 A. To run the foods area, make</p> <p>6 schedules, again make sure we got open at 9:45.</p> <p>7 Q. And how long did you have that</p> <p>8 position?</p> <p>9 A. Eighteen months, two years.</p> <p>10 Q. And did you have any supervisory</p> <p>11 responsibility of other employees -- of employees in</p> <p>12 that position?</p> <p>13 A. Foods manager?</p> <p>14 Q. As the foods manager.</p> <p>15 A. Yes.</p> <p>16 Q. How many?</p> <p>17 A. Five.</p> <p>18 Q. During the time you were foods</p> <p>19 manager, did you need to terminate any of your</p> <p>20 employees?</p> <p>21 MR. GALLIGAN: Objection to form.</p> <p>22 You can answer.</p> <p>23 THE WITNESS: No.</p> <p>24 BY MR. DENOIA:</p> <p>25 Q. What was your next position?</p>

Sheet 6 (21-24)

<p style="text-align: right;">21</p> <p>1 A. Sixty to seventy.</p> <p>2 Q. And how long were you in that</p> <p>3 position?</p> <p>4 A. Two-and-a-half, three years.</p> <p>5 Q. And in the two-and-a-half to three</p> <p>6 years in that position, did you recommend any</p> <p>7 employee for termination or discipline?</p> <p>8 A. No.</p> <p>9 Q. Would that be one of your job</p> <p>10 responsibilities, to recommend employees for</p> <p>11 termination or discipline?</p> <p>12 A. Yes.</p> <p>13 And I don't believe I understood the</p> <p>14 question before. Your termination and discipline,</p> <p>15 yes, I have recommended employees for discipline,</p> <p>16 not for termination.</p> <p>17 Q. And let's see, this will be from the</p> <p>18 time you started in management to the present; how</p> <p>19 many employees have you recommended for discipline?</p> <p>20 A. I don't know.</p> <p>21 Q. More than one?</p> <p>22 A. Yes.</p> <p>23 Q. More than five?</p> <p>24 A. Yes.</p> <p>25 Q. More than ten?</p>	<p style="text-align: right;">22</p> <p>1 A. Yes.</p> <p>2 Q. More than twenty?</p> <p>3 A. Yes.</p> <p>4 Q. More than fifty?</p> <p>5 A. Yes.</p> <p>6 Q. And during that period, how many</p> <p>7 employees have you recommended for termination?</p> <p>8 A. None.</p> <p>9 Q. Did you recommend that Jeff Bowie be</p> <p>10 terminated?</p> <p>11 A. No.</p> <p>12 Q. So you were two-and-a-half to three</p> <p>13 years as an assistant general manager over</p> <p>14 merchandising; what was your next position?</p> <p>15 A. Assistant general manager over fresh.</p> <p>16 Q. I'm sorry?</p> <p>17 A. Fresh departments; meat, bakery,</p> <p>18 deli, produce.</p> <p>19 Q. How long did you have that position?</p> <p>20 A. A year to eighteen months.</p> <p>21 Q. Did you get a raise every time you</p> <p>22 changed positions?</p> <p>23 A. No.</p> <p>24 I apologize, from foods manager to --</p> <p>25 was a junior level manager, to merchandise manager,</p>
<p style="text-align: right;">23</p> <p>1 was a step up to senior manager. I got a raise.</p> <p>2 From senior manager, which was</p> <p>3 merchandising and admin, to assistant general</p> <p>4 manager, I got a raise. From there, it was yearly</p> <p>5 raises.</p> <p>6 Q. And what were your responsibilities</p> <p>7 in fresh?</p> <p>8 A. Oversee the bakery, meat and deli</p> <p>9 departments, the quality of their product, their</p> <p>10 schedules, their plans and their profit and loss.</p> <p>11 Q. And how long did you have that</p> <p>12 position?</p> <p>13 A. That was about eighteen months, I</p> <p>14 believe.</p> <p>15 Q. What was your next position?</p> <p>16 A. I went to Staten Island as an</p> <p>17 assistant over administration.</p> <p>18 Q. Is that the same position you had</p> <p>19 held previously in Brick?</p> <p>20 A. Yes.</p> <p>21 Q. Did you get a promotion, a raise when</p> <p>22 you went to Staten Island?</p> <p>23 A. I did. I got a \$5,000 raise for the</p> <p>24 commute and going to a high volume building.</p> <p>25 Q. And how long were you there, in the</p>	<p style="text-align: right;">24</p> <p>1 Staten Island position?</p> <p>2 A. That position or the store?</p> <p>3 Q. We'll start with the position.</p> <p>4 A. Three years.</p> <p>5 Q. And how long were you in that store?</p> <p>6 A. Seven years.</p> <p>7 Q. What was your next position?</p> <p>8 A. I was the assistant general manager</p> <p>9 over merchandising in Staten Island.</p> <p>10 Q. How long did you have that position?</p> <p>11 A. About a year.</p> <p>12 Q. And the next position after that?</p> <p>13 A. Assistant general over fresh.</p> <p>14 Q. That would be Staten Island?</p> <p>15 A. Staten Island, yes.</p> <p>16 Q. And how long did you have that</p> <p>17 position?</p> <p>18 A. About a year there.</p> <p>19 Q. And what was your next position?</p> <p>20 A. I rotated back to merchandising.</p> <p>21 Q. For how long?</p> <p>22 A. Until 2013.</p> <p>23 Q. And what happened in 2013?</p> <p>24 A. I got promoted to general manager in</p> <p>25 Brick.</p>

<p style="text-align: right;">25</p> <p>1 Q. And what were your duties as general 2 manager? 3 A. Oversee the entire building, 4 everything that happens in the building comes 5 through me. 6 Q. Did you have responsibility for 7 hiring and firing? 8 A. Yes. 9 Q. And that would cover all the 10 employees in that store? 11 A. Yes. 12 Q. Other than Jeff Bowie, who was 13 terminated, did you initiate an action that led to 14 termination of any other employees at the Brick 15 store since being made the general manager? 16 A. Yes. 17 Q. How many? 18 A. I don't know the exact number. 19 Q. I would like to talk about those 20 incidents. I don't want the people's names. I just 21 want to know what was the basis for the termination 22 of the employees, if you can recall. 23 A. The first employee was a grazing 24 incident. He was stealing, eating the food off of 25 the floor.</p>	<p style="text-align: right;">26</p> <p>1 MR. GALLIGAN: Can I clarify 2 something while the witness is thinking? 3 MR. DENOIA: Sure. 4 MR. GALLIGAN: Are we talking about 5 as general manager, or is it broader than that? 6 MR. DENOIA: As general manager of 7 the Brick store, while he was at the Brick store. 8 MR. GALLIGAN: While at the Brick 9 store? 10 MR. DENOIA: Well, yeah. 11 BY MR. DENOIA: 12 Q. So let's clarify the question. Let 13 me ask you this -- 14 A. Mm-hmm. 15 Q. Did you have any position after 16 general manager of the Brick store? 17 A. No. 18 Q. So that would be while you were 19 general manager at the Brick store. 20 MR. GALLIGAN: Thank you. 21 THE WITNESS: The only one I can 22 remember is, within the first six months of me being 23 there, a gentleman was caught grazing, and he was 24 terminated for grazing, for theft. 25 BY MR. DENOIA:</p>
<p style="text-align: right;">27</p> <p>1 Q. So then the next person that was 2 terminated would be Mr. Bowie? 3 A. I don't know. 4 Q. Have you ever terminated an employee 5 in all the time you worked there, or recommended 6 disciplinary termination, because they went out the 7 wrong door, other than Mr. Bowie? 8 MR. GALLIGAN: Objection to form. 9 You may answer. 10 THE WITNESS: I didn't recommend 11 termination. I just investigated -- 12 BY MR. DENOIA: 13 Q. Okay. 14 A. -- the incident with Jeff Bowie. 15 Q. All right. So let me modify the 16 question. Have you ever investigated another 17 employee, other than Mr. Bowie, for going out the 18 wrong door? 19 A. I don't know. 20 Q. Is there anything that would help you 21 refresh your recollection, a document or something? 22 A. I don't think so. 23 Q. Have you ever been disciplined by 24 Costco? 25 A. Yes.</p>	<p style="text-align: right;">28</p> <p>1 Q. Okay. What were the circumstances 2 around that? 3 A. I was an hourly employee, and I had a 4 late problem. So I was counseled for that because 5 of -- well, it doesn't matter why. 6 I had a forklift incident, where I 7 had an accident with the forklift, and I was 8 counseled for that. 9 I believe I had some register 10 shortages. 11 Since I became a manager, I have 12 never been counseled. 13 Q. Have you ever been arrested? 14 A. No. 15 Q. Have you ever been -- well -- how 16 long have you known Jeff Bowie? 17 A. I don't know exactly. 18 Q. Did you know Jeff Bowie other than as 19 an employee? 20 A. No. 21 Q. Did he work with you in any other 22 stores? 23 A. He worked with me in the original 24 Brick building when we were both assistants. 25 Q. And how did you get along with him</p>

<p style="text-align: right;">29</p> <p>1 when you were both assistants?</p> <p>2 A. Fine.</p> <p>3 Q. Have you worked with him since the</p> <p>4 original Brick store?</p> <p>5 A. When I was promoted back to the --</p> <p>6 when I was promoted to the Brick building and came</p> <p>7 back, he was the assistant there.</p> <p>8 Q. So he was the assistant manager when</p> <p>9 you came in as the general manager?</p> <p>10 A. Yes.</p> <p>11 Q. Do you know who the prior general</p> <p>12 manager was at the Brick store?</p> <p>13 A. Leonard Wolgemuth.</p> <p>14 Q. Do you know him?</p> <p>15 A. We've met.</p> <p>16 Q. Did you have any discussions with him</p> <p>17 when you came into the store for transition</p> <p>18 purposes?</p> <p>19 A. Yes.</p> <p>20 Q. Did you discuss Mr. Bowie at all with</p> <p>21 Leonard?</p> <p>22 A. I don't remember.</p> <p>23 Q. So is it fair to say that you</p> <p>24 discussed nothing that was significant enough that</p> <p>25 you recall?</p>	<p style="text-align: right;">30</p> <p>1 A. Yes.</p> <p>2 Q. When did you first become aware that</p> <p>3 Mr. Bowie had an autistic son?</p> <p>4 A. I don't know the exact date. It was</p> <p>5 before I was promoted.</p> <p>6 Q. So you would have known that back in</p> <p>7 the original Brick store?</p> <p>8 A. I believe so.</p> <p>9 Q. When you became general manager of</p> <p>10 the Brick store, were you aware that Mr. Bowie had</p> <p>11 an autistic son?</p> <p>12 A. Yes.</p> <p>13 Q. And had anyone discussed with you his</p> <p>14 request to have to take time, from time to time,</p> <p>15 because of his autistic son?</p> <p>16 MR. GALLIGAN: Objection to form.</p> <p>17 You may answer.</p> <p>18 THE WITNESS: No.</p> <p>19 BY MR. DENOIA:</p> <p>20 Q. Were you aware that Mr. Bowie had to</p> <p>21 take time off or leave early or come in late from</p> <p>22 time to time because of his autistic son?</p> <p>23 A. Yes.</p> <p>24 Q. And how did you become aware of that?</p> <p>25 A. He told me when I got back there that</p>
<p style="text-align: right;">31</p> <p>1 he might have to take time off, and he took some</p> <p>2 time off.</p> <p>3 Whenever he did, he would tell me</p> <p>4 that he was coming in late. He had an issue with</p> <p>5 his son, getting him on the bus. He was the only</p> <p>6 one that could get him on the bus, or off the bus</p> <p>7 sometimes, and he was late from time to time. He</p> <p>8 even had to leave a couple times.</p> <p>9 Q. And when did this occur?</p> <p>10 A. I don't know dates.</p> <p>11 Q. Did that create a problem for you,</p> <p>12 when he was late from time to time?</p> <p>13 A. No.</p> <p>14 Q. Or, when he had to leave early from</p> <p>15 time to time?</p> <p>16 A. No.</p> <p>17 MR. DENOIA: Mark that P-1.</p> <p>18 (Whereupon, P-1 was received and</p> <p>19 marked for identification.)</p> <p>20 BY MR. DENOIA:</p> <p>21 Q. I'm going to show you a document</p> <p>22 that's been marked P-1 for identification, which I</p> <p>23 can represent to you is Costco's objections and</p> <p>24 responses to the plaintiff's interrogatories.</p> <p>25 My question is, after you've had --</p>	<p style="text-align: right;">32</p> <p>1 take your time to look at the document, and then the</p> <p>2 question is, have you ever seen the document? That</p> <p>3 is the first question.</p> <p>4 Apparently, there is also -- and I</p> <p>5 apologize, attached the defendants objections and</p> <p>6 responses to the first notice to produce.</p> <p>7 A. No, I do not ever remember seeing</p> <p>8 this document.</p> <p>9 Q. Did you personally answer any of</p> <p>10 these questions?</p> <p>11 MR. GALLIGAN: Object to form.</p> <p>12 You may answer.</p> <p>13 THE WITNESS: I don't know.</p> <p>14 BY MR. DENOIA:</p> <p>15 Q. Were you ever given a document called</p> <p>16 interrogatories and asked to supply answers?</p> <p>17 A. I don't remember.</p> <p>18 Q. Did Jeff Bowie ever ask for</p> <p>19 permission to leave at various times, and</p> <p>20 specifically ask for family leave as a result of his</p> <p>21 autistic son?</p> <p>22 MR. GALLIGAN: Objection to form.</p> <p>23 You may answer.</p> <p>24 THE WITNESS: I'm not sure I</p> <p>25 understand what you're asking.</p>

<p style="text-align: right;">33</p> <p>1 BY MR. DENOIA:</p> <p>2 Q. Well, did he ever come to you and</p> <p>3 say, I may need to leave from time to time due to my</p> <p>4 autistic son?</p> <p>5 A. Yes.</p> <p>6 Q. And what was your response?</p> <p>7 A. Let me know when you have to go. I</p> <p>8 am 15 minutes down the road. If there's nobody</p> <p>9 here, I'll come and cover.</p> <p>10 Q. Now, you went on vacation in late</p> <p>11 September, early October of 2014; is that correct?</p> <p>12 A. Yes.</p> <p>13 Q. And when you came back from vacation,</p> <p>14 did you discover that Mr. Bowie had come into the</p> <p>15 store late or left early while you were away?</p> <p>16 A. Yes.</p> <p>17 Q. Did you discuss that with him?</p> <p>18 A. Yes.</p> <p>19 Q. And what did you say?</p> <p>20 A. I told him that the appearance was</p> <p>21 that he was hiding it from me by doing it when I was</p> <p>22 off and not telling me about it, that he just needed</p> <p>23 to let me know.</p> <p>24 Q. Did you accuse him of stealing time?</p> <p>25 A. No.</p>	<p style="text-align: right;">34</p> <p>1 Q. Did you tell him there was an</p> <p>2 appearance that he was stealing time?</p> <p>3 A. I don't know.</p> <p>4 Q. Is this the first time that you</p> <p>5 addressed to Mr. Bowie that you were -- did you</p> <p>6 express you were not happy that he had left while</p> <p>7 you were away?</p> <p>8 A. I'm not sure I'm understanding what</p> <p>9 you want.</p> <p>10 Q. Okay. Did you express to him that</p> <p>11 you were not happy that he left early or came in</p> <p>12 late when you were away?</p> <p>13 A. I expressed to him that I wasn't</p> <p>14 happy that he didn't let me know.</p> <p>15 Q. Is this the first time that you told</p> <p>16 Mr. Bowie that you weren't happy that he didn't let</p> <p>17 you know that he left early or came in late because</p> <p>18 of his son?</p> <p>19 A. I believe so.</p> <p>20 Q. That would have been your vacation in</p> <p>21 late September ending on or about October 3rd of</p> <p>22 2014?</p> <p>23 A. On my return of it, yes.</p> <p>24 Q. Okay, and tell me exactly what you</p> <p>25 told him, to the best of your recollection, about</p>
<p style="text-align: right;">35</p> <p>1 this incident.</p> <p>2 A. I don't remember the specific</p> <p>3 conversation.</p> <p>4 Q. Well, give me your best paraphrase of</p> <p>5 what happened.</p> <p>6 A. I believe I asked him if he had left</p> <p>7 early while I was on vacation, how many days.</p> <p>8 He told me that he left for his son a</p> <p>9 few times. He asked if it was a problem.</p> <p>10 I said, no, the only problem was you</p> <p>11 didn't e-mail me or let me know what was going on,</p> <p>12 and it didn't leave a good appearance to the</p> <p>13 building when you just walk out and don't tell</p> <p>14 anyone.</p> <p>15 Q. What did he say to that?</p> <p>16 A. Somewhere in there, I think it was</p> <p>17 before or in the middle, he asked if he needed FMLA.</p> <p>18 I said I don't think he needs FMLA.</p> <p>19 He just needs to let me know when he is leaving,</p> <p>20 that I have no problem with him leaving to take care</p> <p>21 of his son. It's just an information thing, that</p> <p>22 someone in the warehouse knows.</p> <p>23 Q. Did he tell you that he had made sure</p> <p>24 there was coverage?</p> <p>25 A. I don't know.</p>	<p style="text-align: right;">36</p> <p>1 Q. How soon after your return from</p> <p>2 vacation did you address with him the FMLA issue?</p> <p>3 When did that come up; did that come</p> <p>4 up in that conversation when you came back from</p> <p>5 vacation?</p> <p>6 A. I don't know when it was. It came up</p> <p>7 in the conversation that we had about his leaving</p> <p>8 early.</p> <p>9 Q. Okay. So that would have been -- but</p> <p>10 that would have been in the same conversation in</p> <p>11 which you told him you weren't happy about the</p> <p>12 appearance it left when he left early when you</p> <p>13 weren't there?</p> <p>14 MR. GALLIGAN: Objection to form.</p> <p>15 You may answer.</p> <p>16 THE WITNESS: I believe so.</p> <p>17 BY MR. DENOIA:</p> <p>18 Q. Did you report this conversation</p> <p>19 between you and Mr. Bowie to anyone else in Costco?</p> <p>20 A. I don't remember.</p> <p>21 Q. Did anyone from Costco comment to you</p> <p>22 that Mr. Bowie had left early?</p> <p>23 A. Yes. I believe someone told me that</p> <p>24 he had left early while I was on vacation.</p> <p>25 Q. Do you know who that was?</p>

<p>37</p> <p>1 A. I do not remember.</p> <p>2 Q. Now, do you have an HR department at</p> <p>3 Costco in Brick?</p> <p>4 A. An actual HR department, no.</p> <p>5 Q. Do you have an HR representative?</p> <p>6 A. Closest I would have would be my</p> <p>7 payroll clerk.</p> <p>8 Q. Who is that?</p> <p>9 A. Jessica Vaughn.</p> <p>10 Q. Did she tell you that he left early?</p> <p>11 A. I don't know.</p> <p>12 Q. Were you upset that he had left early</p> <p>13 without telling you?</p> <p>14 A. No.</p> <p>15 Q. Now, other than Jeff Bowie, had you</p> <p>16 undertaken investigations concerning any other</p> <p>17 employee discipline while you were a manager at</p> <p>18 Brick, your last position?</p> <p>19 A. I don't know if there were any before</p> <p>20 him.</p> <p>21 Q. Have there been any after him?</p> <p>22 A. Yes.</p> <p>23 Q. And what was the nature of the</p> <p>24 employees that you investigated after him?</p> <p>25 A. A supervisor was complaining that a</p>	<p>38</p> <p>1 manager harassed her.</p> <p>2 Q. And how did you investigate that?</p> <p>3 A. Interviewed the people, created a</p> <p>4 finding of all the facts I could gather and got with</p> <p>5 my vice president as to how to resolve it.</p> <p>6 Q. And who would that be?</p> <p>7 A. Paul Pulver.</p> <p>8 Q. And what was the result?</p> <p>9 A. I believe the employee was counseled,</p> <p>10 and the manager was also counseled. There was no</p> <p>11 harassment, but they acted inappropriately.</p> <p>12 Q. Is there a handbook or any writing</p> <p>13 that tells you what procedures you should undertake</p> <p>14 to investigate an employee incident?</p> <p>15 A. Not that I know of.</p> <p>16 Q. So in that case, you interviewed</p> <p>17 people in person?</p> <p>18 A. Mm-hmm, yes.</p> <p>19 Q. You took notes, I would assume?</p> <p>20 A. Yes.</p> <p>21 Q. Wrote memos or e-mails?</p> <p>22 A. Yes.</p> <p>23 Q. Anything else?</p> <p>24 A. Nothing I remember.</p> <p>25 Q. And that came to your attention as a</p>
<p>39</p> <p>1 result of a complaint of another employee; is that</p> <p>2 correct?</p> <p>3 A. Mm-hmm, yes.</p> <p>4 Q. And any other investigations while</p> <p>5 you were manager, to date?</p> <p>6 A. To date, yes.</p> <p>7 Q. What type?</p> <p>8 A. Pharmacy incident, two employees.</p> <p>9 Q. Generally, what was that about?</p> <p>10 A. Possible HIPAA violations.</p> <p>11 Q. Okay, and how did you investigate</p> <p>12 that?</p> <p>13 A. Interviewed the people involved,</p> <p>14 gathered the facts, presented the facts that I had</p> <p>15 to Paul Pulver, and we came up with a resolution.</p> <p>16 Q. And what was the resolution in that</p> <p>17 case?</p> <p>18 A. Both employees were counseled and</p> <p>19 removed from the pharmacy.</p> <p>20 Q. Were they terminated from Costco?</p> <p>21 A. No. Again, there was no violation,</p> <p>22 but it was inappropriate conduct.</p> <p>23 Q. Any other investigations?</p> <p>24 A. I don't believe so.</p> <p>25 Q. What was the reason you initiated the</p>	<p>40</p> <p>1 investigation against Jeff?</p> <p>2 A. I was told he took the teapot and the</p> <p>3 oatmeal off the floor without paying for it.</p> <p>4 Q. And who told you that?</p> <p>5 A. I do not remember.</p> <p>6 Q. Well, let's go back to that</p> <p>7 harassment incident. I don't want the person's</p> <p>8 name, but do you know the name of the person who</p> <p>9 initiated that information for the alleged sexual</p> <p>10 harassment?</p> <p>11 A. It wasn't sexual harassment.</p> <p>12 Q. Or, the alleged harassment.</p> <p>13 A. Yes.</p> <p>14 Q. And do you know who the person who</p> <p>15 reported the pharmacy incident was?</p> <p>16 Again, I don't want a name. I just</p> <p>17 want to know if you know the person.</p> <p>18 A. Actually, yes, I do.</p> <p>19 Q. And yet you do not know the person</p> <p>20 who told you that Jeff took a teapot and oatmeal off</p> <p>21 the floor?</p> <p>22 A. In both the other investigations, the</p> <p>23 person -- the people who -- the harassment claim was</p> <p>24 made by the person in the investigation, and the</p> <p>25 pharmacy was made by the people who ended up</p>

<p style="text-align: right;">41</p> <p>1 being -- the first complaint was made be them, which 2 started the investigation. 3 Q. But you don't know who gave you the 4 information that initiated the investigation that 5 led to Jeff Bowie's termination; is that correct? 6 A. Correct. 7 Q. So somebody came to you and said, I 8 believe Jeff is stealing merchandise or -- is that 9 correct? 10 A. Somebody came to me and told me that 11 he took a teapot and oatmeal off of the floor, and 12 they don't know if it was paid for. 13 Q. And then what did you do upon 14 discovering this? 15 A. I spoke to Jeff, asked him how the 16 teapot was paid for, if the teapot was paid for. 17 He told me it was put on the supply 18 card, and he was using it for his oatmeal. 19 I asked him if the oatmeal was paid 20 for. 21 He told me he paid for the oatmeal. 22 Q. Let's talk about the oatmeal. Did he 23 tell you that the oatmeal was bought at another 24 store, and he had the receipt but that he didn't 25 take it, that he left it there by mistake?</p>	<p style="text-align: right;">42</p> <p>1 A. Not until after I got back from 2 vacation. 3 Q. Well, did this incident with the 4 teapot happen before or after you went on vacation? 5 A. I believe it happened before I went 6 on vacation. 7 Q. And when did you find out about it, 8 before or after you went on vacation? 9 A. When did I -- I am sorry, when did I 10 find out? 11 Q. When did someone tell you about this, 12 before or after you went on vacation? 13 A. Before I went on vacation. 14 Q. Do you know what dates you were on 15 vacation in September of 2014? 16 A. It was the end of the month. I don't 17 know the exact dates. 18 Q. Bear with me a second. 19 MR. GALLIGAN: Tom, are your looking 20 for the date? 21 MR. DENOIA: Yeah. 22 MR. GALLIGAN: I think I have them in 23 my notes. 24 Do you want this on or off the 25 record?</p>
<p style="text-align: right;">43</p> <p>1 MR. DENOIA: You can put this on the 2 record. 3 MR. GALLIGAN: I just want to state 4 for the record that we advised counsel that 5 Mr. Dezendorf was on vacation from September 25 to 6 October 3, 2014. 7 BY MR. DENOIA: 8 Q. Now, when did you initiate the 9 investigation against Jeff? 10 A. When I returned from vacation. 11 Q. Do you know the exact date? 12 A. No. 13 Q. Was that after the conversation you 14 had with him about him leaving the office while you 15 were on vacation, leaving early? 16 A. I don't know. 17 Q. Do you know when you had the 18 conversation with him about leaving the office 19 early? 20 A. I don't remember. 21 Q. But it was after you came back from 22 vacation, is that correct, because I believe you 23 said the issue was that he did that while you were 24 on vacation? 25 A. Yes, I think so.</p>	<p style="text-align: right;">44</p> <p>1 Q. Okay. Now, who handled the 2 investigation into Jeff? 3 A. I am sorry? 4 Q. Who was in charge of the 5 investigation into Jeff? 6 A. Jeff Bowie? 7 Q. Yes. 8 A. Me. 9 Q. And how did you initiate that 10 investigation? 11 A. I don't remember exactly. 12 Q. Okay, and it was initiated -- is it 13 fair to say it was initiated because of the oatmeal 14 and teapot, or were there other reasons it was 15 initiated? 16 A. Oatmeal and teapot, I believe. I 17 think that would be fair. 18 Q. So how did you go about handling this 19 investigation; did you do it like the others? 20 A. No. 21 Q. Did you interview anyone? 22 A. Only Jeff. 23 Q. What else did you do to investigate 24 the issues? 25 A. I had my loss prevention person help</p>

<p style="text-align: right;">45</p> <p>1 me look through purchases. I had him look through</p> <p>2 purchases to try and find the oatmeal purchase that</p> <p>3 Jeff claimed to make. I also had him look for the</p> <p>4 teapot on the supply card.</p> <p>5 Q. And who was that?</p> <p>6 A. Mike Statile.</p> <p>7 Q. How do you spell that, if you know?</p> <p>8 A. S-t-a-t-i-l-e.</p> <p>9 We also reviewed video.</p> <p>10 Q. Who are we?</p> <p>11 A. Myself and Mike.</p> <p>12 Q. Now, when did you review these</p> <p>13 videos?</p> <p>14 A. I don't know the exact date.</p> <p>15 Q. Was that before or after you had the</p> <p>16 conversation with Jeff about coming in late or</p> <p>17 leaving early?</p> <p>18 A. I don't know.</p> <p>19 Q. Is Mike still with the company?</p> <p>20 A. Yes.</p> <p>21 Q. Is there any way to know -- is there</p> <p>22 any documentation that would tell us when you</p> <p>23 actually reviewed the video?</p> <p>24 A. Not that I know of.</p> <p>25 Q. Just out of curiosity, how much was</p>	<p style="text-align: right;">46</p> <p>1 the oatmeal?</p> <p>2 A. I don't know the exact price, \$10.</p> <p>3 MR. DENOIA: I'll have this marked as</p> <p>4 D-2 -- I mean, P-2.</p> <p>5 (Whereupon, P-2 was received and</p> <p>6 marked for identification.)</p> <p>7 BY MR. DENOIA:</p> <p>8 Q. I'm going to represent that P-2 is</p> <p>9 Bates stamped 868 through 888 of the documents</p> <p>10 produced by the defendants in this matter.</p> <p>11 If you would just look at the first</p> <p>12 two pages of P-2, read them to yourself, and when</p> <p>13 you are done reading them, I would like to ask you</p> <p>14 some questions, so let me know.</p> <p>15 A. Okay.</p> <p>16 Q. Start with, did you prepare that</p> <p>17 document?</p> <p>18 A. Yes.</p> <p>19 Q. Now, going to No. 3 under the</p> <p>20 allegations section --</p> <p>21 A. Mm-hmm.</p> <p>22 Q. It's -- would you just read that</p> <p>23 slowly into the record so we know what we are</p> <p>24 talking about, the bold part.</p> <p>25 A. The bold part, No. 3, on 9/17/2014 --</p>
<p style="text-align: right;">47</p> <p>1 or, 9/17/14, Jeff Bowie left the building for the</p> <p>2 day with flowers he purchased through the tire</p> <p>3 center not through the main entrance.</p> <p>4 Q. Who reported that incident to you?</p> <p>5 A. I'm not sure; I don't remember.</p> <p>6 Q. How did that come to your attention;</p> <p>7 do you know?</p> <p>8 A. I believe when we were reviewing</p> <p>9 video it came up that he left through the tire</p> <p>10 center on that day.</p> <p>11 Q. Was that one of the days he left</p> <p>12 early?</p> <p>13 A. I don't know.</p> <p>14 Q. And I'm -- I would like to understand</p> <p>15 why you would be looking for a video of him leaving</p> <p>16 the building when you were investigating the tea</p> <p>17 kettle and the oatmeal.</p> <p>18 A. I don't know.</p> <p>19 Q. So you don't know how this came</p> <p>20 about?</p> <p>21 A. How this --</p> <p>22 Q. This memo came about.</p> <p>23 A. Mm-hmm.</p> <p>24 Q. It appears from the memo that you</p> <p>25 were reviewing videos; is that correct?</p>	<p style="text-align: right;">48</p> <p>1 A. I had my -- I had Mike Statile, my LP</p> <p>2 guy, review video, and then he went over his</p> <p>3 findings with me.</p> <p>4 So yes, I was reviewing video with</p> <p>5 him.</p> <p>6 Q. And you were -- the LP was reviewing</p> <p>7 the teapot issue and the oatmeal issue; is that</p> <p>8 correct?</p> <p>9 A. Yes. I believe he was also reviewing</p> <p>10 whether or not Jeff left early or not.</p> <p>11 Q. So who gave him instructions on what</p> <p>12 to review?</p> <p>13 A. Me.</p> <p>14 Q. So it's fair to say you said, review</p> <p>15 to see if Jeff paid for the tea kettle, review to</p> <p>16 see if Jeff paid for the oatmeal, and I would also</p> <p>17 like you to review the videos to determine whether</p> <p>18 or not Jeff left early; is that correct?</p> <p>19 A. Yes, that would be a fair statement.</p> <p>20 Q. Did you ask him to review for</p> <p>21 anything else that could be used to write Jeff up?</p> <p>22 MR. GALLIGAN: Objection to form.</p> <p>23 You may answer.</p> <p>24 THE WITNESS: I am not sure -- could</p> <p>25 you repeat the question, I'm sorry?</p>

<p style="text-align: right;">49</p> <p>1 MR. DENOIA: Would you be so kind. 2 (Whereupon, the previous question was 3 read back by the reporter.) 4 THE WITNESS: Not that I remember, 5 and it wasn't to review to write Jeff up. It was to 6 gather facts. 7 BY MR. DENOIA: 8 Q. How much video did he review; do you 9 know? 10 A. I don't know. 11 Q. Are those videos all still available? 12 A. I don't know. 13 Q. Did you give him a time period to 14 review? 15 A. Probably. 16 Q. And where did you -- do you know what 17 that time period was? 18 A. I don't remember. 19 Q. So then since you told him to see if 20 he was leaving early, that was also the subject of 21 your investigation, was it not, whether or not he 22 left early? 23 A. I don't think it was part of my 24 investigation. 25 Q. Well, then why did you ask him to</p>	<p style="text-align: right;">50</p> <p>1 review the video to see if he left early? 2 A. I was told he left early. I wanted 3 to find out if he did. 4 Q. Who told you that? 5 A. I don't remember. 6 Q. Have you discussed this case with 7 Mike since it's been filed? 8 And I don't want you to tell me if at 9 times you may have talked with Mike in front of 10 counsel. 11 MR. GALLIGAN: Thank you. 12 THE WITNESS: Not that I remember. 13 BY MR. DENOIA: 14 Q. Did you tell Mike you had your 15 deposition today? 16 A. No. 17 Q. Does Mike still work at the store? 18 A. Yes. 19 Q. Do you see him on a day-to-day basis? 20 A. Yes, I see him at least once a day. 21 Q. So did you ever discuss Jeff's 22 lawsuit with Mike? 23 A. Not that I remember. 24 Q. Go on to the next page of the 25 exhibit.</p>
<p style="text-align: right;">51</p> <p>1 And it talks about the return of the 2 TV by Jeff's brother. How did you become aware of 3 that? 4 A. In gathering the information with 5 Mike, either he or I found the return, which looked 6 strange on the account. So we looked at it and 7 looked at video to see what happened. 8 Q. And what was your understanding of 9 the TV return policy at that time? 10 A. At this time? 11 Q. Correct. 12 A. We had a 90-day return policy that we 13 would -- it was when you purchased it on an Amex you 14 got two years, had a concierge service for two 15 years. After 90 days, the member owned the TV. 16 Q. Explain that for me. If you bought 17 it on Amex, you could bring it back for two years? 18 A. I am sorry, no. You could only bring 19 it back after two years -- sorry, start over. 20 It was a 90-day return policy. You 21 could return the TV to Costco in the first 90 days 22 for any reason, no questions asked. 23 There was a two-year manufacturer's 24 warranty and a two-year concierge program through 25 Costco. So the manufacturer's warranty was for two</p>	<p style="text-align: right;">52</p> <p>1 years, and Costco concierge helps you go through 2 that. 3 If you purchased it on your Amex 4 card, it was extended for another two years. 5 Q. So effectively four years? 6 A. If you used your Amex card, yes, with 7 the manufacturer's warranty. 8 Q. In this case, do you know whether an 9 Amex card was used? 10 A. I do not. 11 Q. Now, when did that 90-day policy go 12 into effect? 13 A. 2007. 14 Q. And prior to 2007, what was the 15 policy? 16 A. Satisfaction guaranteed. 17 Q. Which means you could bring it back 18 at any time; is that fair to say? 19 A. People did, yes. 20 Q. And it was accepted; is that correct? 21 A. Most of the time, yes. 22 Q. Isn't it true that you had a policy 23 that grandfathered anything within the original 24 policy up to 2007? 25 A. I guess. I'm not sure.</p>

<p style="text-align: right;">53</p> <p>1 Q. Okay. Now, when an employee or 2 manager goes to the computer and puts in a return, 3 and it was within a time that was acceptable, would 4 the computer say on it okay? 5 A. Yes. 6 Q. And if I were to tell you that Jeff 7 testified that when he put this into the computer it 8 said okay, would that surprise you? 9 A. No. 10 Q. And why is that? 11 A. Because I believe it was purchased 12 before the return policy was in effect. 13 Q. So let me ask you this; if I brought 14 in a TV -- let's not make it me. John Smith brought 15 in a TV. 16 A. Mm-hmm. 17 Q. You don't know him. 18 A. Mm-hmm. 19 Q. He bought it in 2006, said this is no 20 good; would you accept it? 21 A. No. 22 Q. And why not? 23 A. Because our return policy changed in 24 2007, I would not accept a TV from someone purchased 25 in 2010. I wouldn't accept it back.</p>	<p style="text-align: right;">54</p> <p>1 I'm not going to take your TV back. 2 It's not the right thing to do by our member, by the 3 members now or even by you, because it's wrong. The 4 TV is old, and it's out of warranty. 5 Q. Now, has this in fact ever been done? 6 MR. DENOIA: I have to take this one, 7 unfortunately, if I can find my phone. 8 (Whereupon, a brief recess was 9 taken.) 10 BY MR. DENOIA: 11 Q. But in fact, Costco has accepted 12 older returns, older than 90 days recently; is that 13 true? 14 A. What timeframe are you talking about? 15 Q. More than 90 days, within the last 16 two years. 17 A. Yes. 18 Q. And why is that? 19 A. The recent TVs have been -- they have 20 gone through the concierge program. The warranty 21 program hasn't worked. They were not able to 22 warranty the TV, and it was still in the -- under 23 warranty or under the Citi warranty now, and it 24 could not be repaired. 25 So we would -- they would come in,</p>
<p style="text-align: right;">55</p> <p>1 bring us the TV back. We would get them a 2 comparable TV, which at this time is probably at 3 least half the price of when they bought it two 4 years ago because of the way technology is. 5 If they had a 50-inch TV, 1080P, we 6 would get them a 50-inch TV, 4K TV now, and it would 7 be half the price. We would refund them the new 8 purchase price. 9 So if it cost \$1,000 two years ago, 10 they would come in. We would give them a 50-inch TV 11 that would cost \$500, and they would walk out with a 12 new 50-inch TV. 13 Q. Would it be reasonable to assume that 14 if your computer said it's okay, and you were aware 15 of a grandfather provision, that if it wasn't Jeff's 16 brother and this was returned that it would not be a 17 problem? 18 MR. GALLIGAN: Objection to form. 19 You may answer. 20 THE WITNESS: No. 21 BY MR. DENOIA: 22 Q. It's not fair to say; why? 23 A. I would not refund the TV in full. 24 Q. But if one of your managers did, 25 would they be disciplined?</p>	<p style="text-align: right;">56</p> <p>1 A. I don't know. 2 Q. Well, would you recommend discipline 3 if one of your managers did? 4 A. Probably put something in their file 5 that they did it wrong, you know, document the 6 incident. 7 Q. Is there any policy that you are 8 aware of at Costco that says you can't sell to 9 family members? 10 A. Yes. 11 Q. There is? 12 A. I believe it's in the handbook, that 13 you cannot ring up a family member. 14 Q. And how is family member defined? 15 A. It's not. 16 Q. So it's not restricted to husband and 17 wife. It could be your sixteenth cousin comes in, 18 you can't ring them up? 19 A. You shouldn't. 20 Q. And I assume it's the same policy for 21 returns? 22 A. Yes. 23 Q. Now in this case, another manager 24 approved this return; is that correct? 25 A. Approved? No.</p>

<p>57</p> <p>1 Q. What did the -- what was the name of 2 the other manager who was involved in this return? 3 A. I don't believe it was a manager. It 4 was a supervisor. 5 Q. Okay. 6 A. I believe his name was Daryl. 7 Q. All right. 8 A. And he just keyed an override. 9 Q. What does that mean? 10 A. In order to authorize a different 11 price or an older return, depending what it is, the 12 register system will ask for a key to be turned with 13 an authorization code. 14 Q. And he supplied that code? 15 A. Yes. 16 Q. Was he disciplined for that? 17 A. No. 18 Q. Was he investigated for that? 19 A. No. 20 Q. Why not? 21 A. He was told to override the return. 22 Q. And how do you know that? 23 A. That is what he told me. 24 Q. Well, you said you didn't interview 25 anybody concerning Mr. Bowie's investigation. Did</p>	<p>58</p> <p>1 you -- do you want to amend that? 2 Did you interview this gentleman, 3 Daryl? 4 A. Yes. 5 Q. Did you take any written statements 6 from Daryl when you interviewed him? 7 A. Yes, I believe so. 8 Q. You did. And do you still have that 9 written statement? 10 A. I believe. 11 MR. GALLIGAN: For the record, it is 12 in the package that is currently in front of the 13 witness. 14 BY MR. DENOIA: 15 Q. Do you want to go through that packet 16 that is in front of you and see if you can find 17 Daryl's statement. 18 Did you find it? 19 A. Yes. 20 Q. So that's a statement dated 21 October 11, 2014? 22 A. Yes. 23 Q. And I assume that is Daryl's 24 signature on this statement? 25 A. I believe so.</p>
<p>59</p> <p>1 Q. Just for the record, it's Bates 2 stamped 877 as part of P-2. 3 Where does it say he was told to key 4 it in? 5 A. It doesn't. 6 Q. In fact, it says he was called down 7 to verify an older TV; is that correct? 8 A. Correct. 9 Q. And in fact, Daryl volunteers in his 10 statement that he then helped the member shop for a 11 replacement TV; is that correct? 12 A. Correct. 13 Q. So why do you say that he was told to 14 key it in? 15 A. Because only an assistant general 16 manager or myself could authorize that return. 17 Q. So although this gentleman authorized 18 the return, he didn't have authority; is that what 19 you're saying? 20 A. Correct. 21 Q. But he was not disciplined or 22 investigated; is that correct? 23 A. Correct. 24 Q. Do you know if Daryl has an autistic 25 child?</p>	<p>60</p> <p>1 A. I don't know. 2 Q. Does Daryl have any disability? 3 A. Not that I know of. 4 Q. Has Daryl ever asked for family 5 leave? 6 A. Not that I know of. 7 Q. Now, when you wrote the memo starting 8 at 868, the first page of P-2, did it originally 9 include both pages, or was it just the first page? 10 A. It would have included both pages. 11 Q. Do you know what date you typed this 12 memo? 13 A. I don't know the exact date. 14 Q. Do you usually date your memos? 15 A. I don't know. I thought I did. 16 Q. This one is not dated; is that 17 correct? Can we agree with that? 18 A. Correct. 19 Q. Is there any way you can determine 20 what date you prepared this memo? 21 A. I believe there's an e-mail when I 22 sent it to Paul Pulver. I would have finished it on 23 that date. 24 MR. DENOIA: Can we mark this. I 25 think we are to 3, right? P-3.</p>

<p style="text-align: right;">65</p> <p>1 identify the customer?</p> <p>2 MR. DENOIA: Can you identify the</p> <p>3 customer?</p> <p>4 I will play back the section, or I</p> <p>5 will try. Here we go.</p> <p>6 MR. GALLIGAN: It seems to be not</p> <p>7 moving.</p> <p>8 MR. DENOIA: Of course, it's</p> <p>9 technology.</p> <p>10 THE WITNESS: I would be guessing if</p> <p>11 I could make out that face. I really don't know who</p> <p>12 that is.</p> <p>13 BY MR. DENOIA:</p> <p>14 Q. Okay. Now, did you initiate these</p> <p>15 investigations on your own, or did someone above you</p> <p>16 order the investigation?</p> <p>17 A. I don't remember.</p> <p>18 Q. Now, the investigation does not talk</p> <p>19 about him leaving early. Yet, you were looking at</p> <p>20 the videos to see whether or not he left early; why</p> <p>21 is that?</p> <p>22 MR. GALLIGAN: Objection to form.</p> <p>23 You may answer.</p> <p>24 THE WITNESS: Leaving early wasn't an</p> <p>25 issue once he explained to me why.</p>	<p style="text-align: right;">66</p> <p>1 BY MR. DENOIA:</p> <p>2 Q. But he explained that to you before</p> <p>3 the investigation started; is that correct?</p> <p>4 A. I don't know.</p> <p>5 Q. Did you communicate with any</p> <p>6 supervisors or HR personnel prior to initiating the</p> <p>7 investigation?</p> <p>8 A. I don't know.</p> <p>9 Q. What concerned you more of the five</p> <p>10 elements in your memo?</p> <p>11 That would be that memo, right.</p> <p>12 A. They all concerned me.</p> <p>13 Q. So they all concerned you equally?</p> <p>14 MR. GALLIGAN: Sorry, did you say</p> <p>15 five or four?</p> <p>16 MR. DENOIA: Five. Are there five?</p> <p>17 MR. GALLIGAN: There are only four in</p> <p>18 the document.</p> <p>19 MR. DENOIA: I thought there were</p> <p>20 five. All right.</p> <p>21 MR. GALLIGAN: Sorry, I just want to</p> <p>22 make sure the record is clear.</p> <p>23 MR. DENOIA: Oh, one is not in the</p> <p>24 document, would be leaving early.</p> <p>25 MR. GALLIGAN: So can you -- I would</p>
<p style="text-align: right;">67</p> <p>1 ask the question be rephrased.</p> <p>2 BY MR. DENOIA:</p> <p>3 Q. So of the four in the document, which</p> <p>4 concerns you more?</p> <p>5 A. I don't know.</p> <p>6 Q. Okay. As the general manager, do you</p> <p>7 determine who gets investigated?</p> <p>8 A. Sometimes.</p> <p>9 Q. And who determined it in this case?</p> <p>10 A. I don't know.</p> <p>11 Q. So you don't know whether or not you</p> <p>12 initiated this investigation or someone told you to?</p> <p>13 A. I don't remember if I spoke to</p> <p>14 Paul Pulver first or after.</p> <p>15 MR. DENOIA: Counsel, I made a</p> <p>16 written request for the rest of that video. I never</p> <p>17 received -- informally by e-mail, but I never</p> <p>18 received a response.</p> <p>19 Do I need to make a formal request?</p> <p>20 MR. GALLIGAN: Did you get a response</p> <p>21 by e-mail?</p> <p>22 MR. DENOIA: I did not.</p> <p>23 MR. GALLIGAN: No, you don't need a</p> <p>24 formal request. I will follow up.</p> <p>25 MR. DENOIA: Thank you.</p>	<p style="text-align: right;">68</p> <p>1 MR. GALLIGAN: So you got no</p> <p>2 response?</p> <p>3 MR. DENOIA: No. Maybe it got lost</p> <p>4 in e-mail heaven.</p> <p>5 MR. GALLIGAN: Yeah, right. No</p> <p>6 problem.</p> <p>7 Are we on or off?</p> <p>8 MR. DENOIA: We can go off.</p> <p>9 (Whereupon, a discussion was held off</p> <p>10 the record.)</p> <p>11 BY MR. DENOIA:</p> <p>12 Q. I am going to have you look at</p> <p>13 Costco 1248. This will be on the record next, and</p> <p>14 if I can get it to start from the beginning again, I</p> <p>15 can, and I think it's running.</p> <p>16 What is the -- do you know what that</p> <p>17 is?</p> <p>18 A. A video of Jeff Bowie taking a teapot</p> <p>19 off the floor on 9/15/2014 at 7:04 a.m.</p> <p>20 Q. The next one we will look at is 1249.</p> <p>21 What's the purpose of 1249, or do you</p> <p>22 know what 1249 is?</p> <p>23 A. It's the actual door of the Brick</p> <p>24 building.</p> <p>25 Q. What's the date of that video?</p>

<p style="text-align: right;">69</p> <p>1 A. 9/20/2014. I believe that video is</p> <p>2 Jeff Bowie's brother leaving with the new TV that he</p> <p>3 purchased. That is Jeff Bowie leaving.</p> <p>4 Kim Clemente, my -- she was an</p> <p>5 assistant, front end at the time.</p> <p>6 MR. GALLIGAN: Sorry, could you state</p> <p>7 the time, if you can see it?</p> <p>8 Paul, I did something. I just waved</p> <p>9 at it, and it stopped.</p> <p>10 MR. DENOIA: Go like this.</p> <p>11 Apparently -- here you go.</p> <p>12 THE WITNESS: It's 1802.</p> <p>13 BY MR. DENOIA:</p> <p>14 Q. And did you consider this video as</p> <p>15 part of your investigation?</p> <p>16 A. I don't remember this video.</p> <p>17 Q. Okay. Is it done?</p> <p>18 You have seen this to the end,</p> <p>19 correct?</p> <p>20 A. Hmm?</p> <p>21 Q. You have seen the video to the end?</p> <p>22 A. I don't remember. I don't know where</p> <p>23 it ended. Oh, that was the end, yes, then I have</p> <p>24 seen it to the end.</p> <p>25 Q. A little further.</p>	<p style="text-align: right;">70</p> <p>1 MR. GALLIGAN: The time?</p> <p>2 THE WITNESS: At 1803, I guess it's</p> <p>3 the end.</p> <p>4 BY MR. DENOIA:</p> <p>5 Q. I'm going to show you Bates stamp</p> <p>6 1250. Tell us what that is.</p> <p>7 Can you give us the date?</p> <p>8 A. 9/15/2014, 6:17 a.m.</p> <p>9 Q. What does that video depict, if you</p> <p>10 know?</p> <p>11 A. I believe that's Jeff Bowie coming in</p> <p>12 the building with nothing in his hands.</p> <p>13 Q. What time is he supposed to come in</p> <p>14 the building?</p> <p>15 A. I don't know. The schedule is</p> <p>16 different all the time.</p> <p>17 I believe he was over in merchandise</p> <p>18 at the time. He could have been in at 6:00. He</p> <p>19 could have been in at 8:00. I'm guessing that day</p> <p>20 he was scheduled at 6:00.</p> <p>21 Q. So is this demonstrating that he was</p> <p>22 17 minutes late?</p> <p>23 A. No. I believe that is demonstrating</p> <p>24 on the day that he had told me he purchased the</p> <p>25 oatmeal that -- that he didn't have oatmeal, I</p>
<p style="text-align: right;">71</p> <p>1 believe, is why that's video is there, that he</p> <p>2 didn't bring oatmeal into the building.</p> <p>3 Q. Now, you don't reference, and you can</p> <p>4 check, but I don't see a reference to a -- oh, I</p> <p>5 take that back. I see a reference, No. 2. It's</p> <p>6 9/15 at 7:37 a.m.</p> <p>7 So that is to demonstrate that on</p> <p>8 9/15 he walked into the building without oatmeal; is</p> <p>9 that correct?</p> <p>10 A. I believe so, yes.</p> <p>11 Q. Did you review that video as part of</p> <p>12 your investigation?</p> <p>13 A. I don't remember.</p> <p>14 Q. We are going to look at 1251. Tell</p> <p>15 us the date and time and what that depicts.</p> <p>16 A. 9/15/2014, 7:37. It looked like</p> <p>17 Jeff Bowie walking out of the office. Jeff walking</p> <p>18 up to the office with oatmeal in his hand.</p> <p>19 MR. GALLIGAN: Do you want him to</p> <p>20 watch the rest of it? I don't know. It just</p> <p>21 keeps --</p> <p>22 THE WITNESS: I don't know how much</p> <p>23 further it goes.</p> <p>24 BY MR. DENOIA:</p> <p>25 Q. It seems to go pretty far. Do we</p>	<p style="text-align: right;">72</p> <p>1 want to scrub it, and you can take a look and see if</p> <p>2 there's anything in there that you think is</p> <p>3 significant?</p> <p>4 A. I think the significant part has</p> <p>5 already passed.</p> <p>6 Q. I will just run it by you. Can you</p> <p>7 see it?</p> <p>8 A. Mm-hmm.</p> <p>9 Q. Okay.</p> <p>10 A. Okay.</p> <p>11 Q. Let's look at 1252.</p> <p>12 A. Costco tire center, 9/17/2014, 1434.</p> <p>13 Q. So that is 2:30; is that correct?</p> <p>14 A. Correct.</p> <p>15 Q. What does that -- do you know what</p> <p>16 the purpose of that video was?</p> <p>17 A. I will wait until it happens, but I</p> <p>18 think -- so there is Jeff Bowie leaving for the day</p> <p>19 through the tire shop with flowers that he</p> <p>20 purchased.</p> <p>21 Q. And the problem with that is what?</p> <p>22 A. It's not an authorized entry, when we</p> <p>23 are open, to leave through the tire shop.</p> <p>24 Q. Why is that?</p> <p>25 A. Because everyone goes through the</p>

<p style="text-align: right;">73</p> <p>1 main entrance and exit, or all employees and members 2 go through the main entrance. Truck drivers and 3 receiving can go out through receiving once we are 4 open. 5 Q. And what was the problem with him 6 going through the tire shop? 7 A. It's not an authorized exit for 8 employees. 9 Q. Did you ask him about that in part of 10 your investigation? 11 A. I had asked him about it, yes. 12 Q. What did he say? 13 A. He said he had Bill Poser, the tire 14 shop manager, check the receipt. 15 Q. Did he tell you why he was at the 16 tire shop? 17 A. I don't remember. 18 Q. Did he have any responsibility over 19 the tire shop? 20 A. As an assistant manager, he had 21 responsibility over the whole building, so yes. He 22 wasn't directly overseeing them at that time, but he 23 would be responsible for anything that happened in 24 the building. 25 Q. Now, are you alleging that he stole</p>	<p style="text-align: right;">74</p> <p>1 the flowers? 2 A. No. 3 Q. Why not? 4 A. They showed up on a purchase. 5 Q. Okay. 1253. 6 What's the date of that video? 7 A. 9/17/2014, 1434. It looked like that 8 was Jeff walking out of the office with the flowers, 9 across the front end. 10 Q. Did you review this video in your 11 investigation? 12 A. I believe so, yes. 13 Q. And again, what was the purpose of 14 reviewing him walking with the flowers within the 15 building? 16 A. I don't know. 17 Q. Well, what were you looking for? 18 A. I was seeing Jeff walk across the 19 front to the tire shop and out the tire shop. 20 Q. Was there any further reason to look 21 at this video that you are aware of? 22 A. Not that I'm aware of. 23 Q. Okay. I think I just had this. 24 Okay, and let me show you 1254. 25 A. 9/20/2014, 1506 p.m.</p>
<p style="text-align: right;">75</p> <p>1 MR. GALLIGAN: No, it's 1706. 2 THE WITNESS: Oh, sorry, 1706. 3 BY MR. DENOIA: 4 Q. And that is? 5 A. That is me leaving the building at 6 1706 and 27 seconds. 7 Q. What's the purpose of that video; do 8 you know? 9 A. It was to show me leaving, and when 10 the other part happens, I will give you the time 11 and -- if it's the video I think it is. 12 MR. GALLIGAN: Off the record. 13 (Whereupon, a discussion was held off 14 the record.) 15 BY MR. DENOIA: 16 Q. Here we go; is that it? 17 A. Yes. That would have been 1713 and 18 50 seconds; Jeff Bowie's brother brings the TV into 19 the warehouse. 20 Q. All right. We are through with the 21 videos. 22 A. If I can amend something I said from 23 the videos -- 24 Q. Yes, go ahead. 25 A. The video of him coming in the back</p>	<p style="text-align: right;">76</p> <p>1 door at 6:17 on 9/15 a.m. -- coming in on 9/15 at 2 6:17 a.m. was to show that he had nothing in his 3 hands. 4 The other video at 7 -- I forget the 5 time, on the same date, when he walked through the 6 register with the oatmeal, was to show that he 7 didn't bring it into the building. 8 Q. How many hours was spent reviewing 9 these videos; do you know? 10 A. I don't know. 11 Q. And that was done by who? 12 A. Mike Statile. 13 Q. And did you review them with him or 14 just he compiled them for you? 15 A. He compiled them for me. 16 Q. How many loss prevention people do 17 you have? 18 A. One. 19 Q. So he is your sole loss prevention 20 guy? 21 A. Yes. 22 Q. And he is the head of the loss 23 prevention department, I assume? 24 A. He is my only loss prevention person. 25 There is not a head because there is only one</p>

<p style="text-align: right;">77</p> <p>1 person.</p> <p>2 Q. So you don't have any loss prevention</p> <p>3 people on the floor?</p> <p>4 A. He does everything.</p> <p>5 Q. He does everything with videos, I</p> <p>6 assume?</p> <p>7 A. Video, he walks the floor. He will</p> <p>8 do research for me. He will do research for the</p> <p>9 regionals.</p> <p>10 Q. Did you report the tea kettle</p> <p>11 incident to the police?</p> <p>12 A. No.</p> <p>13 Q. Did you report the oatmeal incident</p> <p>14 to the police?</p> <p>15 A. No.</p> <p>16 Q. Did you report the TV return incident</p> <p>17 to the police?</p> <p>18 A. No.</p> <p>19 Q. How long had you worked with Jeff</p> <p>20 prior to his termination?</p> <p>21 A. I was back in Brick a little over a</p> <p>22 year.</p> <p>23 Q. And how would you -- how was your</p> <p>24 relationship with him?</p> <p>25 A. A fine working relationship.</p>	<p style="text-align: right;">78</p> <p>1 Q. Now in your investigation, you bring</p> <p>2 up his history from 2012; is that correct?</p> <p>3 A. In my investigation, no.</p> <p>4 Q. Did you review his history in the</p> <p>5 other store from 2012?</p> <p>6 A. Did I review -- I read the -- I read</p> <p>7 it.</p> <p>8 Q. Where did you get it from?</p> <p>9 A. It was in his employee file.</p> <p>10 Q. So when you were reporting to Paul,</p> <p>11 did you bring up the 2012 incident as part of your</p> <p>12 report?</p> <p>13 A. I sent Paul the document.</p> <p>14 Q. And what do you know about the 2012</p> <p>15 incident?</p> <p>16 A. I don't know much except he was moved</p> <p>17 up to Brick.</p> <p>18 Q. Were you aware that he was -- that</p> <p>19 back then he had marital issues?</p> <p>20 A. Yes.</p> <p>21 Q. Were you aware that his wife</p> <p>22 ultimately left him because she was gay?</p> <p>23 A. Yes.</p> <p>24 Q. Did that have anything to do with</p> <p>25 your decision to investigate Jeff?</p>
<p style="text-align: right;">79</p> <p>1 A. No.</p> <p>2 Q. Now, you said you had a fine working</p> <p>3 relationship with him. Did you have other</p> <p>4 relationship problems with him, other than working?</p> <p>5 MR. GALLIGAN: Objection to form.</p> <p>6 You may answer.</p> <p>7 THE WITNESS: No.</p> <p>8 BY MR. DENOIA:</p> <p>9 Q. Did you ever see Jeff outside of</p> <p>10 work?</p> <p>11 A. No.</p> <p>12 Sorry, if I can amend that, it was --</p> <p>13 I was working, but he came in off of work for CMN</p> <p>14 with his daughters to -- for a CMN promotion. They</p> <p>15 kind of played in a band and did music for a</p> <p>16 promotion.</p> <p>17 So he wasn't working, but I was.</p> <p>18 Q. Did you know how many children Jeff</p> <p>19 had?</p> <p>20 A. I believe he had five.</p> <p>21 Q. Were you aware that he had sole</p> <p>22 custody of his children?</p> <p>23 A. I don't know that I was aware of</p> <p>24 that.</p> <p>25 Q. Were you aware he had sole custody of</p>	<p style="text-align: right;">80</p> <p>1 his autistic son?</p> <p>2 A. I don't know. I don't think so.</p> <p>3 Q. Did you have any discussions with</p> <p>4 Paul Pulver concerning the termination of</p> <p>5 Jeff Bowie's employment?</p> <p>6 A. Yes.</p> <p>7 Q. What type of conversations did you</p> <p>8 have?</p> <p>9 A. About the termination or about the</p> <p>10 investigation, I'm sorry?</p> <p>11 Q. Both.</p> <p>12 A. We spoke about the investigation.</p> <p>13 When I sent him the information, he did not like</p> <p>14 Jeff's original statement, asked me to have Jeff</p> <p>15 write another statement explaining some things,</p> <p>16 which Jeff did.</p> <p>17 We discussed other things that I</p> <p>18 don't remember. When it came back that I was to</p> <p>19 terminate him, I discussed the fact I had mistakenly</p> <p>20 told Jeff that I thought he was going to be demoted</p> <p>21 and moved to another building.</p> <p>22 Q. What did Paul say to that?</p> <p>23 A. He said, it's not your decision, and</p> <p>24 you know, it's okay that I said it.</p> <p>25 Q. Did you mention to Paul that Jeff had</p>

<p style="text-align: right;">81</p> <p>1 left early when you were on vacation?</p> <p>2 A. I don't think so.</p> <p>3 Q. Well, do you know either way?</p> <p>4 A. I don't know.</p> <p>5 Q. Who else, if anyone, did you discuss</p> <p>6 Jeff's investigation with?</p> <p>7 We know you talked to Paul, and now</p> <p>8 we know you worked with Mike. Anyone else?</p> <p>9 A. I don't remember.</p> <p>10 MR. DENOIA: It's 12:30. I'm going</p> <p>11 to take a short break.</p> <p>12 (Whereupon, a brief recess was</p> <p>13 taken.)</p> <p>14 MR. DENOIA: Back on the record.</p> <p>15 BY MR. DENOIA:</p> <p>16 Q. Now that we've gone through this</p> <p>17 stuff for awhile, has any of this refreshed your</p> <p>18 recollection as to when you first met Jeff?</p> <p>19 A. I met him around 2003 when I got</p> <p>20 promoted to assistant. I forget who left, and he</p> <p>21 came in. Possibly, he came in right before I got</p> <p>22 promoted. I know it was around that time.</p> <p>23 You give me a two-year timeframe,</p> <p>24 it's between 2002 and 2004 probably.</p> <p>25 Q. And did you work with him for -- at</p>	<p style="text-align: right;">82</p> <p>1 any time?</p> <p>2 You know, you worked together for</p> <p>3 quite sometime; is that fair to say?</p> <p>4 A. About three years, I guess.</p> <p>5 Q. And then you saw him again when you</p> <p>6 came back to the Brick store; is that correct?</p> <p>7 A. Yes.</p> <p>8 Q. Then he was your assistant manager?</p> <p>9 A. Yes.</p> <p>10 Q. Did you work well with him?</p> <p>11 A. Fine working relationship.</p> <p>12 Q. Now, did you ever do a performance</p> <p>13 evaluation of Jeff?</p> <p>14 A. Yes.</p> <p>15 Q. And how did you rate him?</p> <p>16 A. Average.</p> <p>17 Q. Did you have any negative rating?</p> <p>18 A. I'm sure I put things in there for</p> <p>19 him to work on.</p> <p>20 MR. GALLIGAN: What did you say;</p> <p>21 could you repeat your answer? I didn't get it.</p> <p>22 THE WITNESS: I'm sorry, he asked if</p> <p>23 there were any negative things in the review. I</p> <p>24 said I am sure I put things in there for him to work</p> <p>25 on.</p>
<p style="text-align: right;">83</p> <p>1 MR. GALLIGAN: Okay. Thank you.</p> <p>2 MR. DENOIA: Okay. I'm going to have</p> <p>3 this document starting at Bates stamp 744 through</p> <p>4 Bates stamp 784 marked for identification.</p> <p>5 (Whereupon, P-4 was received and</p> <p>6 marked for identification.)</p> <p>7 BY MR. DENOIA:</p> <p>8 Q. I am going to show you what's marked</p> <p>9 P-4 for identification and ask if any of these are</p> <p>10 the evaluations you did of Jeff.</p> <p>11 A. If I did them?</p> <p>12 Q. It's on both sides of the paper.</p> <p>13 A. No, I did not do any of them.</p> <p>14 Q. Would it be on a similar form to the</p> <p>15 forms you just reviewed?</p> <p>16 A. A similar form to the top one, yes.</p> <p>17 MR. DENOIA: Off the record for a</p> <p>18 second.</p> <p>19 (Whereupon, a brief recess was</p> <p>20 taken.)</p> <p>21 MR. DENOIA: Back on the record.</p> <p>22 If counsel would be kind enough to</p> <p>23 see if he can supply Mr. Bowie's evaluations for</p> <p>24 2013 and 2014.</p> <p>25 BY MR. DENOIA:</p>	<p style="text-align: right;">84</p> <p>1 Q. How many evaluations of Jeff did you</p> <p>2 do; do you recall?</p> <p>3 A. I don't remember. I'm thinking now</p> <p>4 with the timeframe I might not have done one.</p> <p>5 Q. Okay. Other than these last</p> <p>6 incidents, did you have any problems with him as an</p> <p>7 employee?</p> <p>8 A. In the last year I was or --</p> <p>9 Q. Last year.</p> <p>10 A. -- as a general manager?</p> <p>11 Q. As a general manager.</p> <p>12 A. I had to speak to him about leaving</p> <p>13 through the tire center earlier that year.</p> <p>14 Q. Anything else?</p> <p>15 A. No.</p> <p>16 Q. He was your assistant manager. So</p> <p>17 did you have any issues with him as an assistant</p> <p>18 manager, in his performance?</p> <p>19 A. Not that I remember.</p> <p>20 Q. When you were an assistant manager,</p> <p>21 did you have any problems with Jeff?</p> <p>22 A. Not that I remember.</p> <p>23 Q. All right. Have you ever done an</p> <p>24 investigation on anyone else for going out the wrong</p> <p>25 entrance?</p>


<p style="text-align: right;">85</p> <p>1 A. No.</p> <p>2 Q. Now, let's talk about the tea kettle</p> <p>3 for a second. Now, when he took that tea kettle off</p> <p>4 the floor for use in the office, that is a permitted</p> <p>5 action; is that correct?</p> <p>6 A. If it were put on a supply card.</p> <p>7 Q. All right. So what's the purpose of</p> <p>8 putting it on a supply card?</p> <p>9 A. Inventory control. Inventory control</p> <p>10 really. It let's us know where it went. It's now</p> <p>11 an asset to the company.</p> <p>12 Q. Right. So he is permitted to take a</p> <p>13 product off the floor to use in the office as long</p> <p>14 as he puts it on the supply -- who reviews the</p> <p>15 supply cards?</p> <p>16 A. It would be reviewed by my sales</p> <p>17 auditor.</p> <p>18 Q. Is there anything that he would not</p> <p>19 be permitted to put on a supply card?</p> <p>20 A. Anything for personal use,</p> <p>21 anything -- personal food, something for his own</p> <p>22 personal use.</p> <p>23 Q. How many people work in the office?</p> <p>24 A. Eight, ten.</p> <p>25 Q. Okay. Now, this morning I bought a</p>	<p style="text-align: right;">86</p> <p>1 dozen donuts for my staff and put them in the</p> <p>2 office. If a manager were to get a dozen donuts off</p> <p>3 the floor for the staff, would that be permitted if</p> <p>4 they put it on a supply card?</p> <p>5 A. It actually wouldn't go on a supply</p> <p>6 card. It would be purchased on a P card, a purchase</p> <p>7 card, but yes, that would be fine.</p> <p>8 Q. So that would be permitted. So if</p> <p>9 someone bought a dozen donuts for the staff to eat</p> <p>10 in the office, that would be okay if it was on a</p> <p>11 P card?</p> <p>12 A. Yes, on a purchase card.</p> <p>13 Q. Is there any limitations to that?</p> <p>14 A. Within reason, you can't spend \$1,000</p> <p>15 on donuts, but you know, and again, it's run by the</p> <p>16 general manager, what I'm doing for the staff.</p> <p>17 Q. Obviously, it would be inappropriate</p> <p>18 to, you know, cook ten pounds of filet mignon for</p> <p>19 the staff?</p> <p>20 A. Mm-hmm.</p> <p>21 Q. Is that correct?</p> <p>22 A. Yes.</p> <p>23 Q. Now, if you bought oatmeal for the</p> <p>24 staff, would that be acceptable?</p> <p>25 A. I can't think of a situation where it</p>
<p style="text-align: right;">87</p> <p>1 would be because I don't buy meals for people. We</p> <p>2 buy our new items. We buy something to put out just</p> <p>3 for the day.</p> <p>4 I'm not feeding my employees</p> <p>5 breakfast every day. That would not be part of the</p> <p>6 way we do things.</p> <p>7 Q. It might not be the way you do</p> <p>8 something, but if someone were to put out a box of</p> <p>9 cereal and a quart of skim milk for the staff, with</p> <p>10 plastic spoons, would that be acceptable?</p> <p>11 A. Yes, in certain circumstances.</p> <p>12 MR. DENOIA: All right. I have</p> <p>13 nothing further. Thank you.</p> <p>14 (Whereupon proceeding adjourned.</p> <p>15 Time noted: 12:43 p.m.)</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">88</p> <p>1 <u>CERTIFICATE</u></p> <p>2 I, GERALDINE ADINOLFI, a Certified Court</p> <p>3 Reporter of the State of New Jersey, do hereby</p> <p>4 certify that the witness was duly sworn by me.</p> <p>5 I FURTHER CERTIFY that the foregoing is a</p> <p>6 true and accurate transcript of the testimony as</p> <p>7 taken stenographically by and before me at the time,</p> <p>8 place and on the date hereinbefore set forth.</p> <p>9 I FURTHER CERTIFY that I am neither a</p> <p>10 relative nor employee nor attorney nor counsel of</p> <p>11 any of the parties in this action and that I am</p> <p>12 neither a relative nor employee of such attorney or</p> <p>13 counsel, and that I am not financially interested in</p> <p>14 the action.</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21 </p> <p>22 GERALDINE ADINOLFI, C.C.R.</p> <p>23 License No. 30XI00228000</p> <p>24</p> <p>25 DATED: July 23, 2018</p>

Exhibit 3

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

1

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY
CIVIL ACTION 3:16-CV-05808-BRM-LHG

- - - - -

JEFFREY BOWIE,

Plaintiff,

vs.

COSTCO WHOLESALE CORPORATION,
BRUCE DZENEORF; and JOHN AND JANE DOES 1-10
(fictitious names),

Defendants.

- - - - -

TRANSCRIPT of the stenographic notes of
the deposition of WILLIAM BOWIE in the above-entitled
matter, as taken by and before LORRAINE B. ABATE, a
Certified Court Reporter and Notary Public of the
State of New Jersey and Registered Professional
Reporter, held at the offices of DeNoia Tambasco &
Germann, 501 Main Street, Toms River, New Jersey, on
July 13, 2018, commencing at 10:00 a.m., pursuant to
Subpoena.

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

2

A P P E A R A N C E S:

DeNOIA TAMBASCO & GERMANN, LLC

Attorneys for the Plaintiff

501 Main Street

Toms River, New Jersey 08753

BY: JAMES N. CITTA, ESQ.

(732)341-1030

citta@denoiatambasco.com

SEYFARTH SHAW, LLP

Attorneys for the Defendants

620 Eighth Avenue

New York, New York 10018

BY: EPHRAIM J. PIERRE, ESQ.

(212) 218-5500

epierre@seyfarth.com

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

15

1 months.

2 Q. Did there come a time where you bought a
3 Sony television from Costco?

4 A. My wife purchased it.

5 Q. Do you recall what warehouse you
6 purchased that television from?

7 A. Either Ocean or Edison. I'm sure you
8 can look up exactly where it came from.

9 MR. PIERRE: Off the record.

10 (Discussion off the record.)

11 MR. PIERRE: Let's mark this as an
12 exhibit.

13 (W. Bowie Exhibit 2, Three-Page Purchase
14 Detail, marked for identification, as of this date.)

15 Q. Mr. Bowie, what I have put in front of
16 you is an exhibit marked W. Bowie No. 2. If you
17 could, please turn your attention to the page marked
18 Costco 885. The numerals are indicated at the bottom
19 right hand portion of the page.

20 Do you notice at the top of the page
21 there, it says member number. It lists a series of
22 digits and then says William Bowie.

23 A. Okay. Now I recollect what happened.
24 It was a gift from my wife. She bought the smaller
25 one because it only fit in my in-law's car. So I

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

16

1 immediately returned it and got the bigger one
2 because I owned a truck. So that's how it got to my
3 name. Sorry.

4 Q. So with the smaller one -- do you recall
5 what the size of the original television your wife
6 bought you?

7 A. I think it was 55. And we returned it
8 and bought a 60.

9 Q. And this transaction occurred in July of
10 2016 -- I mean, July of 2006? I'm sorry.

11 A. That's what the paper says.

12 Q. Do you remember it happening around that
13 time span, the summer of 2006?

14 A. I do. Because it was a birthday gift.

15 Q. And your birthday is?

16 A. June 21st, '66.

17 Q. Do you recall how much the television
18 cost?

19 A. I see on here that it was \$2,799, which
20 is roughly what I remember.

21 Q. Do you recall buying a warranty with
22 this television?

23 A. I do not.

24 Q. Before purchasing the 60-inch
25 television, do you recall when your wife bought the

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

19

1 and I see that there was an adjustment there for
2 \$428.

3 Is that the adjustment you received with
4 the sale on the 60-inch television?

5 A. I believe so.

6 Q. And the location you went to for that
7 adjustment was the Edison location; is that correct?

8 A. I don't know. That's what it says.

9 Q. Was the Edison location closer to you?

10 A. It's closer to my work. I see the time
11 is 12:05. I was probably on lunch.

12 Q. Prior to seeking this price adjustment,
13 did you speak with Jeffrey Bowie?

14 A. In relation to the TV or speak to him at
15 all?

16 Q. In relation to the television.

17 A. Probably not. No idea, though.

18 Q. After getting the price adjustment, were
19 you satisfied with the television and your purchase?

20 A. Yes.

21 Q. Did there come a time when this Sony
22 television did not work?

23 A. Yes.

24 Q. What was the issue with the television?

25 A. Just dead.

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

20

1 Q. When you say dead, was there an issue
2 with the picture?

3 A. I believe it's no picture, no sound.

4 Q. When did this no picture, no sound issue
5 first appear in the Sony television?

6 A. A day or two before I returned it.

7 Q. Do you remember the time frame when that
8 happened specifically?

9 A. I believe I returned it in the morning
10 and it didn't come on.

11 Q. Did it occur in the summer of 2014?

12 A. I assume it aligns with whenever I
13 returned it, which I'm sure you have here.

14 Q. After the Sony television went dead as
15 you testified, did you attempt to get it fixed?

16 A. I did not.

17 Q. Did you contact Costco after the
18 television stopped operating?

19 A. I don't believe so.

20 Q. Did you speak with Jeffrey Bowie after
21 the television stopped operating?

22 A. Probably.

23 Q. Did you speak with him via text?

24 A. Don't know.

25 Q. Did you speak with him via telephone?

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

22

1 Q. So during the time that your television
2 broke, you were aware of this policy and you
3 individually intended to return the television?

4 A. Yes.

5 Q. In returning the television, what did
6 you hope to get?

7 A. Another television.

8 Q. So you wanted a full refund on the
9 purchase?

10 A. I wanted what the rules allowed.

11 Q. In your conversation with Jeffrey Bowie
12 prior to returning the television, did he explain to
13 you Costco's refund policies?

14 A. I already knew the refund policies. I
15 knew it when I bought it. That factored into my
16 decision to purchase at Costco.

17 Q. You stated earlier that your wife bought
18 it as a gift.

19 Did you instruct her that if she were to
20 give you a television, it should come from Costco?

21 A. We had talked about buying one. She is
22 also aware of the policies.

23 Q. With the return policy in mind, did you
24 intend to get a new television based on the refund
25 policy?

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

23

1 A. Yes.

2 Q. Did you intend to get a bigger
3 television based on the refund policy?

4 A. I intended to spend all of the money I
5 got back. I actually did not intend to buy bigger,
6 but the same size TVs were cheaper. So I bought a
7 bigger one.

8 Q. Do you recall the date on which you
9 returned your Sony television?

10 A. I do not, but it's probably on here.

11 Q. If you can refer back to W. Bowie
12 Exhibit 2 and to page Costco 883. It says
13 September 20, '14.

14 Does that refresh your memory as to when
15 you returned your Sony television?

16 A. I assume that is accurate.

17 Q. But you don't specifically remember the
18 date?

19 A. I do not.

20 Q. Do you recall it occurring in the summer
21 of 2014?

22 A. I have no recollection.

23 Q. September 2014 was a Saturday. Do you
24 ordinarily work on Saturdays?

25 A. Not normally, no.

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

25

1 warehouse that perhaps --

2 A. No.

3 Q. And for clarification, at the time that
4 you did return this television, Jeffrey Bowie worked
5 at the Brick warehouse; is that correct?

6 A. Yes.

7 Q. And the reason why you went to the Brick
8 warehouse is because he worked there.

9 Did you believe you would get
10 preferential treatment because Bowie worked there?

11 A. No.

12 Q. Did you think that your refund would go
13 smoother because Jeffrey Bowie worked there?

14 A. No.

15 Q. So besides Jeffrey Bowie working there,
16 were there any other reasons for you to go to the
17 Brick warehouse to return this television?

18 A. No.

19 Q. So the primary reason that you returned,
20 it was because Jeffrey Bowie worked there?

21 A. Yes.

22 Q. Did anyone accompany you when you
23 returned the television?

24 A. My wife.

25 Q. What is her name?

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

29

1 Q. Was Jeffrey Bowie at the counter during
2 the entire transaction where you received the refund?

3 A. I believe so.

4 Q. Do you recall the amount of money you
5 were refunded?

6 A. It was whatever the purchase price here
7 was minus the adjustment.

8 Q. I'll refer you back to W. Bowie Exhibit
9 No. 2 and page 883. You see there is an amount there
10 in the refund transaction detail.

11 Does that refresh your memory as to how
12 much was returned to you?

13 A. That does not show the correction for
14 the price adjustment. I believe they refunded the
15 full thing and then corrected the price adjustment
16 again.

17 Q. When was the refund corrected for the
18 price adjustment again?

19 A. At that time.

20 Q. So based upon --

21 A. I don't see that transaction here.

22 Q. So based upon the price adjustment done
23 at the Edison location at Costco 884, do you believe
24 you were refunded the amount of \$2399.99?

25 A. Yes, I believe I was refunded what I

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

30

1 paid, not more.

2 Q. And how did you receive this refund?

3 A. It was all credit card corrections.

4 Q. Did you receive a cash card or a Costco
5 gift card?

6 A. I don't remember. Possibly, because I
7 had told them I was purchasing a TV today, so I did
8 not need -- so that may be what was done. I do not
9 know. I'm sure you have a record of it.

10 Q. So prior to coming to the warehouse for
11 the refund, did Jeffrey Bowie look up any transaction
12 details related to that Sony television?

13 A. I believe he did.

14 Q. What did he tell you about the
15 transaction details on the television?

16 A. I think he just verified the purchase
17 date and that stuff. I don't know what else he did
18 with it.

19 Q. Did you ask him to verify the purchase
20 date for you?

21 A. I did not.

22 Q. He did it on his own?

23 A. He knew that I was going to return, so
24 probably did.

25 Q. Do you know when Bowie told you the

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

31

1 purchase date of your television?

2 A. I do not.

3 Q. Do you know when Bowie looked up that
4 information for you?

5 A. I do not.

6 Q. So after processing the television, what
7 happened next?

8 A. He introduced me to the guy who was
9 their television expert and me and my wife and that
10 person went through and talked about which TV was the
11 best one.

12 Q. Do you recall the name of this
13 television quote, unquote, expert?

14 A. I do not. It was a man.

15 Q. What TV did you ultimately select?

16 A. Samsung.

17 Q. Do you recall how big it was?

18 A. 75.

19 Q. Was it an HD television?

20 A. Yes.

21 Q. Was it internet or wifi capable?

22 A. Yes.

23 Q. Was it a smart television?

24 A. Yes. They did not sell anything but
25 that at that point.

Jeffrey Bowie v. Costco Wholesale Corporation
July 13, 2018

32

1 Q. Do you recall any other features that
2 this Samsung television had?

3 A. No.

4 Q. Do you believe that Samsung television
5 was better than your Sony television that you
6 previously purchased?

7 A. Yes.

8 Q. Did Jeffrey Bowie in any way assist you
9 in picking out a television?

10 A. No.

11 Q. Did you purchase anything else with the
12 Samsung television?

13 A. I don't know. I may have bought the
14 warranty. I believe I did.

15 Q. And you're referring to an extended
16 warranty?

17 A. Yes.

18 Q. After the purchase, did you have any
19 other money remaining on the cash card or refund that
20 was provided to you?

21 A. I don't believe so. I believe I paid
22 additional.

23 Q. You think you contributed a little more
24 towards the purchase?

25 A. Yes.

INNES M MCEVOY
Notary Public, State of New Jersey
My Commission Expires
September 09, 2021

Exhibit 4

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY
CIVIL NO. 3:16-cv-05808-BRM-LHG

X-----X

JEFFREY BOWIE,
Plaintiff,

-v-

DEPOSITION OF:
PETER DEMOLEAS

COSTCO WHOLESALE CORPORATION,
BRUCE DZENEORF; and JOHN and
JANE OES 1-10 (fictitious names),
Defendants.

X-----X

A Computerized Transcript of the
Stenographic notes of the proceedings in the
Above-entitled matter as taken by and before
PATRICIA A. FORNAROTTO, a Certified Shorthand
Reporter and Notary Public of the State of New
Jersey, certify the foregoing deposition was taken
At the offices of DeNoia, Tambasco & Germann,
Esqs., 501 Main Street, Toms River, New Jersey,
08753, on Wednesday, July 25, 2018, commencing at
1:45 p.m.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

DENOIA, TAMBASCO & GERMANN, ESQS.
BY: THOMAS DENOIA, ESQ., and
JAMES N. CITTA, ESQ.,
501 Main Street
Toms River, New Jersey 08753
Attorney for the Plaintiff.

SEYFARTH SHAW, LLP
BY: EPHRAIM J. PIERRE, ESQ.,
620 Eighth Avenue
New York, New York 10018-1405
Attorney for the Defendants.

Demoleas - direct

6

1 to ask anything further on that subject, but thank
2 you. Where do you reside?

3 A I live in New Jersey in Matawan.

4 Q What's your address?

5 A 12 Carrie Drive, C-a-r-r-i-e, in Matawan New
6 Jersey, 07747.

7 Q Are you married?

8 A Yes.

9 Q And do you have any children?

10 A Yes.

11 Q How many?

12 A Two.

13 Q And what are their ages?

14 A My son is three and my daughter is one and a
15 half.

16 Q Now, how long have you known Jeff
17 Bowie?

18 A Only from work when he came to the Brick
19 Costco.

20 Q Okay. So when would that be?

21 A I started Brick I believe in 2014, and he
22 replaced John Dougherty, I think a year after that.
23 I'm not a hundred percent sure with the time frame.

24 Q So you started in 2014?

25 A I believe so.

Demoleas - direct

8

1 A No.

2 Q So how do you know he didn't like
3 that?

4 A His demeanor when he saw me the next day,
5 really didn't talk much.

6 Q Did Mr. Bowie ever tell you that he
7 had an autistic son?

8 A Yes.

9 Q How did that come about?

10 A I was actually having an issue with an
11 employee that works with us who I believe is
12 autistic, and I had a hard time and I showed
13 frustration dealing with him. Jeff told me he had
14 an autistic son and he was able to handle the
15 situation better and I actually learned from him
16 how to deal with the employee.

17 Q Did he ever tell you that he had
18 custody of his children?

19 A I believe so. I'm not sure.

20 Q Did he ever tell you that he needed
21 to leave early or come in late on occasions to take
22 care of his son?

23 A No.

24 Q Did he ever leave early?

25 A Yes.

Demoleas - direct

12

1 Jeff or was he higher?

2 A He's below.

3 Q Were managers permitted to take
4 equipment from the floor for use in the office?

5 A As long as it's rung up, yes.

6 Q That would be put on the supply card?

7 A Correct.

8 Q And did you need prior approval to
9 take something off the floor to put on the supply
10 card?

11 A It depends what the item would be.

12 Q Tea kettle?

13 A For use in the office, yes.

14 Q Yes, you would need prior approval?

15 A I would think so, yes.

16 Q And who would you get approval from?

17 A The general manager.

18 Q And at the time, who was that in
19 2014?

20 A I believe Bruce would be there by then.

21 Q And is there any written policy
22 concerning taking an item off the floor for use in
23 the office?

24 A I would guess the only thing would be
25 grazing, taking stuff off of the floor. There's

Demoleas - direct**15**

1 A Yeah. Anything you look up would say okay
2 or expired in it currently.

3 Q What does okay mean?

4 A Okay means it would be, it's okay to return
5 it, it's not expired. The 90 days isn't expired.

6 Q Now, what part if any did you take in
7 Jeff Bowie's termination?

8 A I only witnessed his final consultation that
9 termed him.

10 Q How did that come about?

11 A I was sitting in the office doing my work.
12 Bruce asked me to sit in and he went over the
13 paperwork with him and I just signed as witness.

14 Q If you would, give me your best
15 recollection of what happened when you witnessed
16 this meeting.

17 A The most I remember was Bruce went over all
18 the paperwork with him. At the end of it, he said,
19 okay. Jeff Bowie said, no, it's not okay. And
20 then he signed and exited the building.

21 Q Did Jeff say anything else?

22 A Not that I can recall.

23 Q Did Mr. Dezendorf say anything else?

24 A I think he talked about RSU issues, anything
25 that was already granted, already reached its

Demoleas - direct

16

1 value. He had a couple of days to cash it out or
2 he would forfeit it.

3 Q What's an RSU?

4 A As assistant general managers, you get stock
5 bonuses and stocks and you get, every year 20
6 percent of it gets vested. And you're able to cash
7 that out if you'd like.

8 Q And what was discussed if anything?
9 I think you were describing -- I'll stop and
10 rephrase the question. What were the discussions
11 about RSU's in that meeting?

12 A I think he told him anything that is vested
13 that you have in your account, you should cash it
14 out and everything else would be forfeited that
15 wasn't vested.

16 Q Was anybody else at that meeting
17 other than you, Jeff and Mr. Dezendorf?

18 A Not that I recall.

19 Q Other than attending that meeting,
20 did you have any other participation in the
21 decision to terminate Jeff?

22 A No.

23 Q Did you ever request an accommodation
24 to take care of, concerning the need to take care
25 of child care issues?

Demoleas - direct

17

1 A Yes.

2 Q Would you explain?

3 A Sure. When my son was first born, I had a
4 hard time finding child care on Fridays. So I
5 requested to have Fridays off which is a busy day
6 and they granted it until I was able to find child
7 care.

8 Q And who was the manager at that time?

9 A Bruce Dezendorf.

10 Q And when did that happen?

11 A My son was born on June 2. I had five weeks
12 off. So starting in July, I believe.

13 Q What year?

14 A 2015.

15 Q 2015. So that's after Jeff was
16 fired?

17 A I believe so.

18 Q And I apologize. This is the third
19 deposition so if I asked this question already, I'm
20 confusing my depositions. Did Jeff ever tell you
21 his son had autism?

22 A Yes, you asked that already.

23 MR. DENOIA: I hear you. Off the
24 record.

25 (Whereupon a discussion is held off

Exhibit 5

1 UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF NEW JERSEY
3 CIVIL NO. 3:16-cv-05808-BRM-LHG

4 X-----X

5 JEFFREY BOWIE,
6 Plaintiff,

DEPOSITION OF:
JAMES MACK

7 -v-

8 COSTCO WHOLESALE CORPORATION,
9 BRUCE DZENEORF; and JOHN and
10 JANE OES 1-10 (fictitious names),
11 Defendants.

12 X-----X

13 A Computerized Transcript of the
14 Stenographic notes of the proceedings in the
15 Above-entitled matter as taken by and before
16 PATRICIA A. FORNAROTTO, a Certified Shorthand
17 Reporter and Notary Public of the State of New
18 Jersey, certify the foregoing deposition was taken
19 At the offices of DeNoia, Tambasco & Germann,
20 Esqs., 501 Main Street, Toms River, New Jersey,
21 08753, on Wednesday, July 25, 2018, commencing at
22 10:20 a.m.
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

DENOIA, TAMBASCO & GERMANN, ESQS.
BY: THOMAS DENOIA, ESQ., and
JAMES N. CITTA, ESQ.,
501 Main Street
Toms River, New Jersey 08753
Attorney for the Plaintiff.

SEYFARTH SHAW, LLP
BY: EPHRAIM J. PIERRE, ESQ.,
620 Eighth Avenue
New York, New York 10018-1405
Attorney for the Defendants.

Mack - direct

7

1 it to the office. Were you aware of that
2 allegation?

3 A No.

4 Q Have you ever become aware of that
5 allegation?

6 A Yes.

7 Q And how did you become aware of the
8 allegation?

9 A Through hearsay. I didn't even know if it
10 was true.

11 Q And when did you get this hearsay?

12 A After the fact.

13 Q Well, after the fact, after Jeff was
14 fired?

15 A Yes.

16 Q And who told you that?

17 A It was, like I said, gossip. Didn't even
18 know if it was true.

19 Q Have you ever used any merchandise in
20 the office on the house account?

21 A Yes.

22 Q And what's the procedure when you do
23 that?

24 A It's to be purchased. It would be purchased
25 first for the office on a warehouse supply card and

Mack - direct

8

1 the item that I'm speaking of is a refrigerator to
2 put my lunch in.

3 MR. DENOIA: Off the record.

4 (Whereupon a discussion is held off
5 the record.)

6 MR. DENOIA: Would you be kind enough
7 to tell me what my last question was?

8 (Whereupon the last question and
9 answer are read back by the court reporter.)

10 Q And do you consider that a purchase
11 of supplies for the office whether it be a
12 refrigerator in your case or a tea kettle to be
13 something that's not permitted?

14 A Well, it would have --

15 MR. PIERRE: Objection. I was going
16 to say objection as to facts established there.

17 MR. DENOIA: I'm sorry.

18 (Whereupon a short recess is taken.)

19 MR. DENOIA: You were objecting to my
20 question.

21 MR. PIERRE: And to clarify the
22 objection it would be to the characterization of
23 the tea kettle. I don't think we established
24 whether or not if it was for office use or not.
25 The prior question is to refer to whether Mr. Bowie

Mack - direct

9

1 had a take kettle in the office or not.

2 MR. DENOIA: Well, actually it wasn't
3 related Mr. Bowie. It was related to policy. But
4 I'll rephrase the question.

5 Q Is it permitted to purchase something
6 like a tea kettle for the office?

7 A You had to have approval from the warehouse
8 manager.

9 Q And who was the warehouse manager at
10 the time?

11 A Bruce Dezendorf.

12 Q And what do you base that answer on?

13 MR. PIERRE: Perhaps you can clarify
14 what that refers to. You asked two consecutive
15 questions there.

16 Q On what do you base your answer?

17 A If you're going to purchase anything for the
18 office or for whatever the case may be, it would be
19 on the warehouse supply card so it would be able to
20 be tracked through Rose in the office, and you
21 would have to have approval from Bruce that you're
22 making a purchase on the warehouse supply card.

23 Q So you would have to obtain approval
24 in advance?

25 A Yes.

Mack - direct

10

1 Q And is there any written policy that
2 you're aware of that sets that procedure forth?

3 A I'm not sure.

4 Q So where did you get the information
5 to support the answer you've just given me?

6 A It's just how -- I mean, that's just --
7 there's nothing written that I know but that's the
8 process in which we do it.

9 Q Did somebody tell you that was the
10 process?

11 A I don't remember if anybody ever told me
12 that but coming up through the years, that's just
13 how it's been done.

14 Q By you or by everyone?

15 A It should be by everyone.

16 Q Okay. So I just want to understand
17 how you know that. So did any -- so this is
18 question number one. Did anybody in management
19 ever tell you that was the procedure?

20 A Not that I remember.

21 Q Just go down and check, just clarify,
22 and you're not aware of any written procedure that
23 sets that forth; correct?

24 A Yes.

25 Q Have you ever gone out of the tire

Mack - direct

13

1 A Well, I'm just doing for instance. I mean,
2 to take care of an emergency at home or -- I mean,
3 I don't recall a specific one but I know --

4 Q Well, were you aware of whether or
5 not Jeff's child had a disability?

6 A I was not aware.

7 Q So he never asked you to cover for
8 him when he had to, because he had to take care of
9 his son?

10 A No.

11 Q Are you aware of the policy and
12 procedures for Costco concerning TV returns?

13 A Yes.

14 Q There was a time when the policy
15 changed; is that correct?

16 A Correct.

17 Q And what is the policy for a TV that
18 was purchased before the policy changed?

19 A Prior to the policy changing, you could
20 basically take any TV back at any, at any amount of
21 time basically.

22 Q And were you aware of whether or not
23 these TV's were grandfathered when the new policy
24 came into effect?

25 A Yes, there was -- yes. There was a, if -- I

Exhibit 6

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY
CIVIL NO. 3:16-cv-05808-BRM-LHG

X-----X

JEFFREY BOWIE,
Plaintiff,

-v-

DEPOSITION OF:
LEONARD WOHLGEMUTH

COSTCO WHOLESALE CORPORATION,
BRUCE DZENEORF; and JOHN and
JANE OES 1-10 (fictitious names),
Defendants.

X-----X

A Computerized Transcript of the
Stenographic notes of the proceedings in the
Above-entitled matter as taken by and before
PATRICIA A. FORNAROTTO, a Certified Shorthand
Reporter and Notary Public of the State of New
Jersey, certify the foregoing deposition was taken
At the offices of DeNoia, Tambasco & Germann,
Esqs., 501 Main Street, Toms River, New Jersey,
08753, on Wednesday, July 25, 2018, commencing at
12:30 p.m.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

DENOIA, TAMBASCO & GERMANN, ESQS.
BY: THOMAS DENOIA, ESQ., and
JAMES N. CITTA, ESQ.,
501 Main Street
Toms River, New Jersey 08753
Attorney for the Plaintiff.

SEYFARTH SHAW, LLP
BY: EPHRAIM J. PIERRE, ESQ.,
620 Eighth Avenue
New York, New York 10018-1405
Attorney for the Defendants.

Wohlgemuth - direct

8

1 reserved; correct?

2 MR. DENOIA: Yeah, go ahead. Back on
3 the record?

4 Q Mr. Leonard, do you know why Mr.
5 Bowie was fired?

6 A Yes.

7 Q What's your, what do you, why do you
8 believe he was fired?

9 A Violated company policy.

10 Q And how did you become aware of that?

11 A Through discussion with my attorney.

12 Q Other than discussions with your
13 attorney, did you have, do you have any other basis
14 of knowledge as to why he was terminated?

15 A No.

16 Q Did you discuss his termination with
17 any other employee of Costco outside the presence
18 of your attorney?

19 A No.

20 Q How long have you known Jeff Bowie?

21 A He began working with me in 2006.

22 Q And what was your position at the
23 time?

24 A I was warehouse manager.

25 Q And what was his position?

Wohlgemuth - direct

9

1 A Assistant warehouse manager.

2 Q How would you rate him as an employee
3 while he worked for you?

4 A Satisfactory.

5 Q Were you aware that he had a child
6 with autism?

7 A He shared that information.

8 Q Did he ever request an accommodation
9 that he leave early or come in late due to this,
10 due to his care for his son?

11 A He did not request an accommodation.

12 Q Did he ever request family leave to
13 care for his son?

14 A Not that I can recall.

15 Q In 2014, were you contacted by Bruce
16 Dezendorf concerning Mr. Bowie?

17 A I don't recall.

18 Q There was some type of issue that
19 arised concerning Mr. Bowie's employment while he
20 worked for you; is that correct?

21 A Repeat the question.

22 (Whereupon the last question is read
23 back by the court reporter.)

24 A No disciplinary action that I can recall.

25 Q Well, was there some sort of an

Wohlgemuth - direct

10

1 anonymous letter written concerning Mr. Bowie?

2 A I don't recall.

3 Q So you don't recall any investigation
4 into any issues concerning Mr. Bowie?

5 A In my position as the general manager in
6 Brick?

7 Q In your position as the general
8 manager with Mr. Bowie at any time.

9 A I don't recall.

10 Q Were you aware that Mr. Bowie had
11 gotten divorced?

12 A Yes.

13 Q How did you become aware of that?

14 A He shared that information.

15 Q Did his ex-wife, then wife work in
16 your store?

17 A No.

18 Q Did she work for Costco?

19 A Not that I was aware of.

20 Q So you were in the Brick store when
21 Jeff began to work there as an assistant manager;
22 is that correct?

23 A Yes.

24 Q And while you were in the Brick
25 store, did he tell you about his son with autism?

Wohlgemuth - direct

11

1 A He shared that information.

2 Q Did he explain that he was, at that
3 time that he was recently divorced?

4 A I don't recall a specific conversation where
5 he shared his divorce but it was known.

6 Q Did he share with you in a
7 conversation that he was a single father with
8 custody of his children?

9 A He shared that he was separated from his
10 wife.

11 Q Did he share that he had custody of
12 his children?

13 A I don't know the specific custody
14 arrangements.

15 Q So he did not share that with you?

16 A I don't know who had specific legal custody
17 of his children.

18 Q I didn't ask you that question. I
19 asked you if he shared with you and represented to
20 you that he had custody of his children.

21 A He shared with me that he had children.

22 Q Did he share with you that his son
23 with autism was having a difficult time because of
24 the divorce?

25 A He may have shared that information.

Wohlgemuth - direct

12

1 Q Did he share with you that his
2 autistic son was having behavioral issues and
3 difficulty with his medication as a result of the
4 divorce?

5 A I don't recall any specific conversations
6 regarding medication.

7 Q Do you recall any conversations
8 regarding behavioral issues?

9 A He mentioned that he had an autistic son.

10 MR. DENOIA: Okay. Could you read
11 back my question?

12 (Whereupon the last question is read
13 back by the court reporter.)

14 A I don't recall any specific conversations
15 regarding behavioral issues.

16 Q Did he ever ask to leave early or
17 come in late to care for his son?

18 A He may have.

19 Q And what did you tell him when he
20 asked that?

21 A I don't recall any specific conversation to
22 any specific incident.

23 Q Well, did you permit him to do that?

24 A I may have.

25 Q Did you tell him that it was

Wohlgemuth - direct

13

1 acceptable as long as his building had coverage?

2 A I don't recall making that statement.

3 Q Do you recall making any similar
4 statement?

5 A If he had asked to leave early, I may have
6 granted that as an opportunity on a specific day.

7 Q Do you recall him ever asking to
8 leave early because he had to take care of his
9 autistic son?

10 A I'll say yes, that may have happened.

11 Q Did that happen more than once?

12 A I don't recall a frequency.

13 Q Did it happen one time?

14 A Yes.

15 Q Do you know if it happened any other
16 time?

17 A It may have.

18 Q Is there any document or record that
19 would refresh your recollection as to whether or
20 not it may have happened again?

21 A Not that I'm aware of.

22 Q Have you reviewed any documents to
23 prior for this deposition?

24 A Some with my attorney.

25 Q What documents did you review? I

Wohlgemuth - direct

14

1 don't want to know what your attorney said to you.

2 I just want to know what documents.

3 A Documents that I had signed.

4 Q Which documents that you signed?

5 A A letter issued to Jeff for an area of
6 concerns for his performance.

7 Q And what was the concern of
8 performance?

9 A The letter relating to an investigation at
10 his warehouse at that time.

11 Q Which warehouse was that?

12 A Manahawkin.

13 Q And tell me about this investigation;
14 what was it about?

15 A I didn't conduct the investigation. I
16 administered the letter.

17 Q Okay. Who conducted the
18 investigation?

19 A I would assume the warehouse manager in
20 Manahawkin at that time.

21 Q And who was that?

22 A I believe it was Zoya is her first name.

23 Q And what were the facts surrounding
24 that investigation?

25 MR. CITTA: Off the record.

Wohlgemuth - direct

19

1 MR. DENOIA: Can we have this marked
2 as Leonard-2?

3 (Whereupon a memo dated 10/8/12 is
4 received and marked as Leonard-2 for
5 identification.)

6 Q So I'm going to show you what's shall
7 mached as Leonard-2 for identification. It's a
8 document that says confidential on the top and it's
9 dated October 8, 2012. I'm going to show it to
10 counsel. It's got a bate stamp of 000892. Is
11 Leonard-2 the letter you're referring to?

12 A Yes.

13 Q And it's actually an E-mail; is it
14 not or is it a memo? Do you know?

15 A I don't recall if it was an E-mail or sent
16 to me.

17 Q Okay. But it's from you?

18 A It's signed by me.

19 Q Well, it says --

20 A Administered; right.

21 Q On the top it says to who?

22 A Jeff Bowie, assistant general manager.

23 Q From?

24 A Leonard Wohlgemuth.

25 Q And what does it read?

Exhibit 7

Sheet 1 (1-4)

<p>1 UNITED STATES DISTRICT COURT 2 FOR THE DISTRICT OF NEW JERSEY 3 CIVIL NO. 3:16-cv-05808-BRM-LHG</p> <p>4 X----- X 5 JEFFREY BOWIE, CIVIL 6 Plaintiff, ACTION 7 v. VIDEO 8 COSTCO WHOLESALE CONFERENCE 9 CORPORATION, BRUCE DZENDORF DEPOSITION 10 and JOHN and JANE DOES 1-10 OF: 11 (fictitious names), DARYL 12 Defendants, GEISE 13 X----- X</p> <p>14 T R A N S C R I P T of the stenographic notes 15 of the proceedings in the above-entitled matter as 16 taken by and before DEBRA A. BAPTIST, a Certified 17 Shorthand Reporter and Notary Public of New Jersey, 18 at offices of STATE SHORTHAND REPORTING SERVICE, 19 212 Monmouth Road Oakhurst, 07753, on Wednesday, 20 August 15, 2018 commencing at eight minutes after 21 ten in the forenoon. 22 23 24 25</p>	<p>1 A P P E A R A N C E S 2 3 DENOIA, TAMBASCO & GERMANN, ESQS. 4 BY: THOMAS DENOIA, ESQ., 5 502 Main Street 6 Toms River, New Jersey 08753 7 Attorneys for the Plaintiff. 8 9 SEYFARTH SHAW, LLP 10 BY: EPHRAIM J. PIERRE, ESQ., 11 620 Eighth Avenue 12 New York, New York 10018 13 Attorneys for the Defendant. 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p>1 I N D E X 2 EXAMINATIONS 3 <u>Witness</u> <u>Direct</u> <u>Cross</u> <u>Redirect</u> <u>Recross</u> 4 DARYL GEISE 5 By Mr. DeNoia 4 6 7 EXHIBITS 8 <u>No.</u> <u>Description</u> <u>Page</u> 9 DG-1 Statement of Daryl Geise..... 8 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 4 2 DARYL GEISE, 4696 Gardens Park Boulevard, 3 Orlando, Florida 32839 having been sworn by the court 4 reporter, testified as follows: 5 6 DIRECT EXAMINATION BY MR. DeNOIA: 7 Q Good morning. 8 A How you doing? 9 Q How are you doing? My name is Tom 10 DeNoia. I represent Jeff Bowie in an action we've 11 brought against Costco. 12 A Sure. 13 Q And this proceeding is known as a 14 deposition. I thank you for attending. 15 A Sure. 16 Q We're attending by video. Some 17 instructions. The first instruction is probably 18 the most important when you're doing a video 19 deposition is there may be some delay -- 20 A Yeah. 21 Q -- from me to you so, therefore, let 22 me finish my question before you answer so that we 23 have a clear record. The Court Reporter seated to 24 my right you just spoke to who is taking down 25 everything we say, she can't take down a nod of the head or a shake of the hands so your responses will</p>

Sheet 3 (9-12)

<p style="text-align: right;">9</p> <p>1 you ever asked to do returns while you were a 2 manager there? 3 A I was only a supervisor. I was never a 4 manager in that building. 5 Q I mean while a supervisor, while you 6 were a supervisor were you ever asked to do 7 returns? 8 A Can you clarify that. What do you mean by 9 was I asked to do returns? 10 Q At all? 11 A Well, basically -- 12 Q Go ahead. 13 A Okay. So let me sort of - cause it's - 14 sometimes people that don't work within the 15 industry it kind of - there is verbiage (sic) we use 16 or verbiage we use that's not correct or doesn't 17 make sense outside. A supervisor wouldn't do a 18 return. Somebody would authorize the return but 19 the supervisor would have to key it. But it's not 20 an approval or a disapproval, it's just literally 21 somebody says we're going to take care of the 22 member, you know, somebody higher would say we're 23 going to take care of the member, we need you to go 24 ahead and key it. So you may physically flip the 25 key but something of this magnitude you would not</p>	<p style="text-align: right;">10</p> <p>1 make that decision. That's much above a 2 supervisor's pay grade. 3 Q Okay. Now what do you mean by key it? 4 A So basically what that means is you put a 5 key in the register and you turn it and then you 6 have to physically put a code in to override it, 7 right. So let's say that a GM, for instance, or 8 AGM or whatever says okay, we're going to go ahead 9 and take care of this member, we're going to do the 10 return so that AGM that GM as far as I'm aware 11 doesn't have a key. I can't think of a time when I 12 have ever seen somebody of that level override a 13 return. All right. So what would happen is they 14 would call a supervisor or lower manager over to 15 actually process -0 like physically process. Just 16 like the refund cashier would type the info in. 17 The supervisor or the lower tier manager would put 18 the override key in and override it but they're 19 just physically carrying out the action. They're 20 not making the decision. 21 Q Now you're saying with respect to 22 this specific transaction other than the statement 23 in front of you is it fair to say you don't have an 24 independent recollection? 25 A Not really. It's been a lot of years.</p>
<p style="text-align: right;">11</p> <p>1 Q Okay. So I did a double negative 2 there so let's clarify. 3 A Sure. 4 Q Do you have an independent 5 recollection? 6 A No. Like if I didn't have this statement 7 and you say hey, do you remember a TV that was 8 returned in October? Honestly if you asked me this 9 back then I would say yeah, I could probably tell 10 you all about it but it's just been a long time and 11 I don't really remember much, if anything. Reading 12 it I can sort of remember the 75-inch Samsung that 13 we sold at that time so I can tell you I have a 14 vague memory of what the TV the person would have 15 gotten, would have looked like. But if you said 16 what kind of TV did they return I don't have a 17 clue. I couldn't tell you. I thought it was older 18 but by reading this statement it's been so long. 19 MR. PIERRE: Off the record. 20 (Whereupon a discussion is held off 21 the record.) 22 MR. PIERRE: Back on. 23 Q And the transaction that we're 24 talking about is a return of a television which 25 took place on October 11th, 2014 and it was</p>	<p style="text-align: right;">12</p> <p>1 requested by Jeff. Is that what you're talking 2 about also? 3 A Was the trans - was the transaction the 11th 4 or was that the date of my statement? 5 Q That might have been the date of your 6 statement. I don't know the date of the 7 transaction. 8 A Yeah. That would be - that transaction in 9 question would be the one - would be the one I 10 think we're all referring to. 11 Q Now we clarified that. Did you know 12 that the person returning the television was Jeff 13 Bowie's brother? 14 A I honestly can't recall. I don't - I don't 15 remember if that was brought to anybody's 16 attention. But the one thing that I would say is, 17 you know, anyone that would have done the return 18 whether it was - whoever the refund cashier was or 19 any supervisor involved there's - none of that 20 would register because honestly it would have just 21 been if a manager says we're going to take care of 22 a member you're going to do a return, you go down 23 and do the return. The decision is already made 24 before they would ever drag - not drag, before they 25 would ever get anybody to physically do the return</p>

Exhibit 8

Sheet 1 (1-4)

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

2

3

4

5

6

7

8

9

10

11

<

Sheet 2 (5-8)

<p style="text-align: right;">5</p> <p>1 you say today. And I may come up to you at the</p> <p>2 trial and say to you do you remember being in Ocean</p> <p>3 Township on August 15th, 2018 and I asked you X and</p> <p>4 you answered Y? I don't want you to look at me and</p> <p>5 look at the jury and say well, I didn't understand</p> <p>6 the question. So you understand that instruction?</p> <p>7 A I get it, yes, sir.</p> <p>8 Q Okay. The Court Reporter can only</p> <p>9 take down one of us at a time. So although it's</p> <p>10 very common for people to anticipate a question and</p> <p>11 answer before it's complete, I'm going to ask you</p> <p>12 to let me complete the question.</p> <p>13 A Okay.</p> <p>14 Q There may come a time during the</p> <p>15 deposition I may say to you was that a yes or let</p> <p>16 me finish the question. I'm not being rude. I'm</p> <p>17 just trying to make a clear record. Do you</p> <p>18 understand that?</p> <p>19 A Yes, sir.</p> <p>20 Q All right. Are you under the</p> <p>21 influence of any medications or substances that</p> <p>22 would prevent you from testifying clearly today?</p> <p>23 A No.</p> <p>24 Q Okay. Have you ever had your</p> <p>25 deposition taken before?</p>	<p style="text-align: right;">6</p> <p>1 A Yes.</p> <p>2 Q How often?</p> <p>3 A Not very often. I honestly can't remember</p> <p>4 the last time I did a depo.</p> <p>5 Q Do you know Jeff Bowie?</p> <p>6 A Yes.</p> <p>7 Q And how long have you known Jeff?</p> <p>8 A Approximately 12 years.</p> <p>9 Q And how would you describe your</p> <p>10 relationship with Jeff?</p> <p>11 A Normal.</p> <p>12 Q Prior to October of 2014 had you had</p> <p>13 any issues with Jeff as a manager?</p> <p>14 A Me personally?</p> <p>15 Q Yes?</p> <p>16 A No.</p> <p>17 Q Now you said me personally. Are you</p> <p>18 aware of any issues with Jeff prior to October of</p> <p>19 2014?</p> <p>20 A I'm not sure I understand what you're</p> <p>21 saying. Do you mean with me or do you mean in the</p> <p>22 warehouse?</p> <p>23 Q In the warehouse?</p> <p>24 A Yes. I'm aware of an issue in September.</p> <p>25 Q Of?</p>
<p style="text-align: right;">7</p> <p>1 A 2014.</p> <p>2 Q Okay. And what issue is that?</p> <p>3 A When I entered the building, I don't</p> <p>4 remember the exact date, it was approximately the</p> <p>5 15th of September of 2014, I walked into the Admin</p> <p>6 office and was approached by Jessica and Rose, two</p> <p>7 office employees, who stated that they saw Jeff</p> <p>8 enter the Admin office with product off the selling</p> <p>9 floor.</p> <p>10 Q And what did you do when you were</p> <p>11 advised of this?</p> <p>12 A I kept the information to myself until my</p> <p>13 boss arrived at the warehouse who was Bruce</p> <p>14 Dzendorf and I reported the incident to Bruce.</p> <p>15 Q And who is Jessica?</p> <p>16 A Jessica is the payroll clerk for the Brick</p> <p>17 building.</p> <p>18 Q And who is Rose?</p> <p>19 A Rose is the sales audit person for the Brick</p> <p>20 location.</p> <p>21 Q And do they still both work at Brick?</p> <p>22 A They do.</p> <p>23 Q So what happened next?</p> <p>24 A I reported the interest didn't to Bruce, sat</p> <p>25 down with Bruce for a little bit. He asked me to</p>	<p style="text-align: right;">8</p> <p>1 look into it, investigate it, which I did.</p> <p>2 Q Did he give you any specific</p> <p>3 directions concerning the investigation?</p> <p>4 A Told me to reserve his shopping history. See</p> <p>5 if the items were purchased that were brought into</p> <p>6 the office. Which I did.</p> <p>7 Q Anything else?</p> <p>8 A At that point in time, no.</p> <p>9 Q Okay. Did there come a time in</p> <p>10 October of '14 that you were asked to do a further</p> <p>11 investigation?</p> <p>12 A I do not remember if it was October.</p> <p>13 Q Okay.</p> <p>14 A With our conversation Bruce mentioned to me</p> <p>15 that some of his managers have brought some issue</p> <p>16 to his attention.</p> <p>17 Q And what issue was that?</p> <p>18 A An issue of Jeff entering and leaving the</p> <p>19 building early and late.</p> <p>20 Q Do you know what managers brought</p> <p>21 that to his attention?</p> <p>22 A I do not.</p> <p>23 Q Did you ask him that?</p> <p>24 A I did not.</p> <p>25 Q And what happened then he did ask you</p>

Sheet 3 (9-12)

<p style="text-align: right;">9</p> <p>1 to do something about that?</p> <p>2 A He asked me to keep an eye on that.</p> <p>3 Q And did you do that?</p> <p>4 A Yes, I did.</p> <p>5 Q And what did you discover?</p> <p>6 A I discovered that that in fact was true.</p> <p>7 Q That he left the building early and</p> <p>8 came in late?</p> <p>9 A Yes.</p> <p>10 Q And how often?</p> <p>11 A I don't remember how often.</p> <p>12 Q And how did you determine that?</p> <p>13 A CCTV.</p> <p>14 Q And would you define CCTV for me?</p> <p>15 A Our video surveillance system within the</p> <p>16 warehouse.</p> <p>17 Q So did you review the CCTV to</p> <p>18 determine whether or not he left early and came in</p> <p>19 late?</p> <p>20 A Yes.</p> <p>21 Q And did you prepare a report</p> <p>22 concerning that?</p> <p>23 A I did not prepare a report. I made some</p> <p>24 notes.</p> <p>25 Q Okay. And did you share those notes</p>	<p style="text-align: right;">10</p> <p>1 with management?</p> <p>2 A With Bruce.</p> <p>3 Q And did your notes indicate what days</p> <p>4 he left early and what days he came in late?</p> <p>5 A It -- I believe it had a couple of dates on</p> <p>6 there.</p> <p>7 Q Do you remember those dates?</p> <p>8 A I do not.</p> <p>9 Q Do you know what happened to those</p> <p>10 notes?</p> <p>11 A My notes I believe Counsel has a copy of.</p> <p>12 MR. DeNOIA: Can we go off the record</p> <p>13 for a second.</p> <p>14 (Whereupon a discussion is held off</p> <p>15 the record.)</p> <p>16 MR. DeNOIA: Can we mark this as MS-1</p> <p>17 (Whereupon Plaintiff's Exhibit MS-1,</p> <p>18 Notes of Michael Statile, was received and marked</p> <p>19 for Identification.)</p> <p>20 MR. DeNOIA: We can go back on the</p> <p>21 record. Counsel was kind enough to turn over</p> <p>22 Costco 1256 through Costco 1259. Counsel, you</p> <p>23 represented this is Mr. Statile's file; is that</p> <p>24 correct (indicating)?</p> <p>25 MR. PIERRE: That is correct.</p>
<p style="text-align: right;">11</p> <p>1 MR. DeNOIA: Thanks. And we've just</p> <p>2 had it marked MS-1 for Identification.</p> <p>3 Q Okay. If you would look at MS-1, Mr.</p> <p>4 Statile, would you tell us what it is?</p> <p>5 A It's my notes.</p> <p>6 Q And when did you take these notes?</p> <p>7 A Probably on the dates that are jotted on the</p> <p>8 - on the paper.</p> <p>9 Q Okay. So help me understand the first</p> <p>10 page, 1256 is the notation on the bottom. That's</p> <p>11 what we call the Bates stamp?</p> <p>12 A Uh-hum.</p> <p>13 Q There is a number 316343571000. What</p> <p>14 does that depict?</p> <p>15 A I believe that's Jeff's membership number,</p> <p>16 Costco membership number.</p> <p>17 Q And then there is a number under that</p> <p>18 starting with 111. What is that?</p> <p>19 A Don't know exactly. It probably his whoever</p> <p>20 else is on his account.</p> <p>21 Q Okay. And then we go down to the next</p> <p>22 line it says there is a number sign 845 et cetera.</p> <p>23 What is that?</p> <p>24 A That 845070 is the item number for that</p> <p>25 water kettle, tea kettle.</p>	<p style="text-align: right;">12</p> <p>1 Q And that's the one he brought to the</p> <p>2 office, correct?</p> <p>3 A Yes.</p> <p>4 Q And the next one is 168, starts with</p> <p>5 168. What is that?</p> <p>6 A Item number for a bag of M&M's.</p> <p>7 Q Okay. Was the M&M's paid for?</p> <p>8 A Did not find a purchase for the M&M's on</p> <p>9 Jeff's account.</p> <p>10 Q And who - who took the M&M's?</p> <p>11 A The M&M's were sitting on Jeff Bowie's desk.</p> <p>12 Q And the next item 828?</p> <p>13 A 828285 and the 828097 were lance crackers.</p> <p>14 Two slightly different sell units found under</p> <p>15 Jeff's desk.</p> <p>16 Q And the next line?</p> <p>17 A 535170 is the oatmeal, the other item</p> <p>18 brought to the office along with the kettle.</p> <p>19 Q And there is a date there says 9/6/14</p> <p>20 Carol Murray. What does this mean?</p> <p>21 A I believe Carol Murray was Jeff's girlfriend</p> <p>22 at the time. And there was a box of oatmeal found</p> <p>23 on her account.</p> <p>24 Q That she paid for?</p> <p>25 A In another location, yes. And that 1025 is</p>

Sheet 4 (13-16)

<p style="text-align: right;">13</p> <p>1 the Manahawkin location that you see jotted there.</p> <p>2 Q Okay. And then under that it says</p> <p>3 1/2/14 to present. What does that mean?</p> <p>4 A I went back to January 2nd of '14 --</p> <p>5 Q Uh-hum?</p> <p>6 A -- trying - looking for a purchase for those</p> <p>7 items. And none were found.</p> <p>8 Q Well, okay, let's go back up where it</p> <p>9 says Shirley Bowie. What is that there for?</p> <p>10 A I believe that's Stacy.</p> <p>11 Q Oh, Stacy. Go ahead. Does that mean</p> <p>12 she --</p> <p>13 A There must have been a bag of M&M's</p> <p>14 purchased from Stacy in another location, 1093,</p> <p>15 which I believe is Marlboro New Jersey on 8/15 of</p> <p>16 2014.</p> <p>17 Q Okay. Then you have 915 and you got a</p> <p>18 bunch of numbers. What are they, on the bottom</p> <p>19 right of your notes?</p> <p>20 A The -- That's the date that the kettle and</p> <p>21 the oatmeal were brought into the office by Jeff.</p> <p>22 Q And then you have a little 9/17/14</p> <p>23 23. What is that?</p> <p>24 A I don't remember what that date is.</p> <p>25 Q And what does R 51 mean, do you know?</p>	<p style="text-align: right;">14</p> <p>1 A Yeah. Register 51.</p> <p>2 Q All right. Let's go to the next</p> <p>3 page, 1257.</p> <p>4 A (Complies).</p> <p>5 Q And it's a list of things in and the</p> <p>6 Quaker Instant Oatmeal is circled. Is that</p> <p>7 correct?</p> <p>8 A Yes.</p> <p>9 Q Okay. And this is paid for by Carol</p> <p>10 Murray --</p> <p>11 A Yes.</p> <p>12 Q -- is that what that shows in?</p> <p>13 A In Manahawkin, not in Brick.</p> <p>14 Q Okay.</p> <p>15 A On 9/6. The date is up there as well.</p> <p>16 Q Okay. Then on the next page 1258</p> <p>17 would you tell us what those notations represent?</p> <p>18 A Different dates and camera numbers and times</p> <p>19 for Jeff.</p> <p>20 Q Okay. You have 9/17 it says 13:55C25</p> <p>21 (W/Vase). Is that what that says?</p> <p>22 A It says with vase I believe that first line.</p> <p>23 Q And what does that mean?</p> <p>24 A I believe we were looking at where the --</p> <p>25 there was another issue had come up where - besides</p>
<p style="text-align: right;">15</p> <p>1 the in and out late and leaving early an issue came</p> <p>2 up where we were told - I wasn't told, Bruce was</p> <p>3 told by another manager that Jeff was exiting the</p> <p>4 building with product not through the main exit.</p> <p>5 This is related to that.</p> <p>6 Q And did you determine that he entered</p> <p>7 - he left the building with product that he didn't</p> <p>8 pay for?</p> <p>9 A Not in this case here, no.</p> <p>10 Q Did you ever find him leaving the</p> <p>11 building with product he didn't pay for?</p> <p>12 A No.</p> <p>13 Q Okay. And those dates with the -</p> <p>14 starting, for example, so we can refer back to it</p> <p>15 the first line to the right it says star 6/30 in at</p> <p>16 4:00 a.m. What is that?</p> <p>17 A On June 30th that I guess is his arrive</p> <p>18 time.</p> <p>19 Q Okay. Was he late?</p> <p>20 A I don't remember. It doesn't note here what</p> <p>21 time he was scheduled.</p> <p>22 Q Where do you see that?</p> <p>23 A It does not I said.</p> <p>24 Q Oh, okay. So the rest of the dates</p> <p>25 are arrive times except for the one that says exit?</p>	<p style="text-align: right;">16</p> <p>1 A Yeah. 7/7, been there 5:05, exits at</p> <p>2 6:54 a.m. Out and exits through the tire shop.</p> <p>3 Q All right. And is that the last</p> <p>4 page? Oh, then we have 1259. And what's 1259</p> <p>5 depict?</p> <p>6 A Different dates with different reasonings.</p> <p>7 Q Okay. Let's start with 9/25. What is</p> <p>8 - what do you notate about 9/25?</p> <p>9 A 9/25 is his time in and out. And then below</p> <p>10 that Jeff purchased a Caesar salad at the court</p> <p>11 food and then removed some dressing from the deli</p> <p>12 for I'm assuming for his salad. The dressing from</p> <p>13 the deli is - is not for sale at the deli. It's for</p> <p>14 the deli to use in product that we sell, in salads</p> <p>15 that they sell. That's why that is noted there.</p> <p>16 Q So did he buy the salad at the deli?</p> <p>17 A Bought the salad at the deli, did not buy</p> <p>18 the dressing.</p> <p>19 Q So he had to buy the dressing</p> <p>20 separately at the deli?</p> <p>21 MR. PIERRE: If I could just clarify</p> <p>22 he stated he bought it at the food court.</p> <p>23 A He bought the Caesar salad at the food</p> <p>24 court.</p> <p>25 MR. PIERRE: Correct.</p>

Sheet 6 (21-24)

<p>21</p> <p>1 hours doing this?</p> <p>2 A Total time most likely. Although I do not</p> <p>3 know for sure.</p> <p>4 Q Okay. And do you know how many videos</p> <p>5 - how many dates of videos you reviewed?</p> <p>6 A I don't offhand.</p> <p>7 Q Did you keep any record of that?</p> <p>8 A Whatever video I burnt Counsel has.</p> <p>9 Q Okay. Now the last video you burnt</p> <p>10 was a video depicting the - Jeff at the counter and</p> <p>11 someone with a TV?</p> <p>12 A Yes.</p> <p>13 Q Do you recall that?</p> <p>14 A Yes.</p> <p>15 Q And there is a - probably a good five</p> <p>16 or six minutes of blank, blackness before that. Do</p> <p>17 you know why that is?</p> <p>18 A I have absolutely no idea.</p> <p>19 Q When you burnt it was the entire -</p> <p>20 the entire tape visible, viewable?</p> <p>21 A I don't remember.</p> <p>22 Q Do the original tapes still exist?</p> <p>23 A The original tapes would have been off on</p> <p>24 the DVR.</p> <p>25 Q Yes.</p>	<p>22</p> <p>1 A That DVR is long gone.</p> <p>2 Q Have you ever been asked to review</p> <p>3 videos concerning any other employee?</p> <p>4 A Yes.</p> <p>5 Q How often?</p> <p>6 A Quit often actually.</p> <p>7 Q And who initiated those</p> <p>8 investigations?</p> <p>9 A Everything that I do is initiated by my boss</p> <p>10 who for the past five years has been Bruce.</p> <p>11 Q Now were you aware that Jeff's son</p> <p>12 had autism?</p> <p>13 A I believe I knew that.</p> <p>14 Q And how did you know that?</p> <p>15 A Well, Jeff used to talk about it.</p> <p>16 Q And were you aware that Jeff had sole</p> <p>17 custody of his son?</p> <p>18 A No.</p> <p>19 Q Were you aware that Jeff needed to</p> <p>20 care for his son?</p> <p>21 A Nope.</p> <p>22 Q Did anybody ever tell you that Jeff</p> <p>23 at times had to leave to take care of his son?</p> <p>24 A No.</p> <p>25 Q Did Mr. Dzendorf ask you to review</p>
<p>23</p> <p>1 videos?</p> <p>2 A Yes.</p> <p>3 Q Did he tell you what time periods to</p> <p>4 review?</p> <p>5 A No.</p> <p>6 Q Did he ask you to see if he was</p> <p>7 leaving early and coming in late?</p> <p>8 A Yes.</p> <p>9 Q Now have you discussed this case with</p> <p>10 Mr. Dzendorf recently?</p> <p>11 A No.</p> <p>12 Q Have you ever discussed this case</p> <p>13 with Mr. Dzendorf?</p> <p>14 A No.</p> <p>15 Q Do you know that Jeff was terminated?</p> <p>16 A Yes.</p> <p>17 Q And how did you become aware of that?</p> <p>18 A Bruce did tell me that.</p> <p>19 Q When did he tell you that?</p> <p>20 A After he was terminated. I don't remember</p> <p>21 the date.</p> <p>22 Q Did you ask him why he was</p> <p>23 terminated?</p> <p>24 A No.</p> <p>25 Q Did he tell you why he was</p>	<p>24</p> <p>1 terminated?</p> <p>2 A No.</p> <p>3 Q Other than your notes did you prepare</p> <p>4 any type of formal report of your investigation?</p> <p>5 A No.</p> <p>6 Q Did anybody interview you, other than</p> <p>7 Counsel, concerning this investigation?</p> <p>8 A No.</p> <p>9 Q Are you aware of anybody else in the</p> <p>10 store ever being fired for leaving through the</p> <p>11 wrong door?</p> <p>12 A I am not aware.</p> <p>13 Q Are you aware of anybody ever being</p> <p>14 fired for taking a tea kettle to the office or any</p> <p>15 item to the office?</p> <p>16 A I am not. But I will say this, every</p> <p>17 employee in that building knows there's no product</p> <p>18 that goes - comes off the selling floor unless it's</p> <p>19 paid for.</p> <p>20 Q But there is an office account for</p> <p>21 product used in the office, correct?</p> <p>22 A Can you repeat that?</p> <p>23 Q Is there an office account for</p> <p>24 product used in the office?</p> <p>25 A There is a supply card which as far as I</p>

Exhibit 9

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY
CIVIL NO. 3:16-cv-05808-BRM-LHG

X-----X

JEFFREY BOWIE,
Plaintiff,

-v-

DEPOSITION OF:
JESSICA VAUGHN

COSTCO WHOLESALE CORPORATION,
BRUCE DZENDORF; and JOHN and
JANE OES 1-10 (fictitious names),
Defendants.

X-----X

A Computerized Transcript of the
Stenographic notes of the proceedings in the
Above-entitled matter as taken by and before
PATRICIA A. FORNAROTTO, a Certified Shorthand
Reporter and Notary Public of the State of New
Jersey, certify the foregoing deposition was taken
At the offices of DeNoia, Tambasco & Germann,
Esqs., 501 Main Street, Toms River, New Jersey,
08753, on Monday, August 28, 2018, commencing at
10:05 a.m.

A P P E A R A N C E S

DENOIA, TAMBASCO & GERMANN, ESQS.

BY: THOMAS DENOIA, ESQ., and

JAMES N. CITTA, ESQ.,

501 Main Street

Toms River, New Jersey 08753

Attorney for the Plaintiff.

SEYFARTH SHAW, LLP

BY: EPHRAIM J. PIERRE, ESQ.,

620 Eighth Avenue

New York, New York 10018-1405

Attorney for the Defendants.

Vaughn - direct

6

1 leave?

2 A The end of September, like the last week.

3 Q At any time during the month of
4 September 2014, did you report Jeff Bowie to Loss
5 Prevention about any issue?

6 A Yes.

7 Q Okay. And what was that?

8 A There was items being brought in the office.

9 Q Do you know what items?

10 A There was a box of oatmeal and a container
11 of M&M's.

12 Q And what did they say when you
13 reported it?

14 A I told him and he said he would look into it
15 and talk to Bruce.

16 Q And do you know when that was?

17 A Before I went out.

18 Q So was that in September?

19 A Yes.

20 Q Have you ever reported anyone else to
21 Loss Prevention?

22 A Yes.

23 Q How often?

24 A If I see something, members, employees,
25 anything like that. Like if I see something,

Vaughn - direct

9

1 Q What did you do at Chuckie Cheese?

2 A I hosted parties.

3 Q And what's your highest educational
4 degree?

5 A I did a year of college.

6 Q And where was that?

7 A Ocean County College.

8 Q What did you study there?

9 A Just generic classes.

10 Q And where did you go to high school?

11 A Brick Memorial.

12 Q And where is that?

13 A Bricktown.

14 Q Oh, Brick Memorial?

15 A Yeah.

16 Q I thought you said Brook. And what
17 year did you graduate?

18 A 2005.

19 Q Are you familiar with Costco's policy
20 concerning discrimination?

21 A Yes.

22 Q How, how are you familiar with that?

23 A I talk about it in orientations, it's in my
24 orientation manuals.

25 Q Is that one of your job duties?

Vaughn - direct

10

1 A Yes.

2 Q Are you familiar with their family
3 leave policy?

4 A Yes.

5 Q Do they have an intermittent family
6 leave policy?

7 A Yes.

8 Q And how does that work?

9 A You submit paperwork to the doctors, doctor
10 fills it out, turn it back into Costco. They tell
11 you how long you need leave for, how many days,
12 anything like that. It gets turned into our third
13 party and they go through, cross all the, you know,
14 make sure everything is in line and then it gets
15 approved.

16 Q Have you processed any family leave
17 for any employees?

18 A Yes.

19 Q Have you ever processed an interim
20 family leave?

21 A Yes.

22 Q And how would you define interim
23 family leave?

24 A I don't understand that.

25 Q What is interim family leave in your

EXHIBIT 10

COSTCO 000001

CONFIDENTIAL

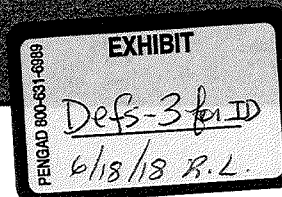


COSTCO
WHOLESALE

Employee Agreement



United States



MARCH 2013

Employee Agreement



**A message from
CRAIG JELINEK**

Dear Fellow Employees,

As our Company continues to grow and succeed, our future looks very bright. It's my hope that each of you feels secure and confident in your job and Costco.

Costco prides itself on being a leader in our industry because we are excellent merchants, efficient operators, and we treat our members and each other fairly. This Employee Agreement reflects our latest

effort to provide you with the highest level of care.

Along with our operating policies and personnel procedures, within these pages you will find our Mission Statement, Code of Ethics and Standards for Conduct. I invite you to read those sections, as they are the cornerstones of our company philosophy.

Costco management pledges to abide by the terms of this Agreement so employees covered by it can rest assured that consistency and fairness are built into our employment practices. But we don't stop there. We have an Open Door Policy available to every employee at Costco. It's a great policy that ensures that the lines of communication truly stay open. I urge you to talk with your management team anytime you have questions, concerns, suggestions, or comments.

We have over 600 locations and more than 161,000 employees worldwide. Over the next few years, our business is on track to expand into new markets, develop in existing areas, and explore new opportunities around the world. We plan to open hundreds of locations in the years ahead. With expansion comes opportunity for each of you. We need talented leaders to grow the business and adventurous employees to help drive our future. We need to stay open-minded and creative as we strive for new heights. Let us know how we can help you reach your career goals.

Each of you represents our Company in the communities where we do business. You consistently deliver the highest level in member service; setting the standard that makes Costco a destination for loyal shoppers and a place your co-workers want to be. Your job at Costco should be challenging, but also fun and rewarding.

Thank you for being part of the Costco family.

Cordially,

Craig Jelinek, President/CEO

**Employee Agreement****TABLE OF CONTENTS**

WHAT DO WE STAND FOR?	
1.0 INTRODUCTION	5
WHAT POLICIES DO I NEED TO KNOW?	
2.0 PERSONNEL PROCEDURES AND POLICIES	
2.1 Open Door Policy/Resolution of Disagreements	11
2.2 Equal Opportunity	12
2.3 Americans with Disabilities Act (ADA)	13
2.4 Anti-Harassment Policy	13
2.5 Reporting Harassment, Discrimination, or Retaliation	15
2.6 Anonymous Reporting of Accounting Issues or Illegal Conduct	16
2.7 Drug and Alcohol-Free Workplace Policy	17
2.8 Drug and Alcohol Testing	18
2.9 Voluntary Requests for Assistance	19
2.10 Fitness for Duty	19
WHAT'S MY JOB AND HOW COULD IT CHANGE?	
3.0 EMPLOYEE CLASSIFICATIONS – See tab in back for specific classifications	
3.1 Employee Status	20
3.2 Forklift/Cashier Training	22
3.3 Job Postings	23
4.0 EMPLOYMENT STATUS CHANGE	
4.1 Automatic Changes to Status	24
4.2 Change to Classification	24
4.3 Demotions to Lower Classifications	25
4.4 Transfers	26
4.5 Length of Continuous Employment	26
4.6 Reduction in Workforce/Layoffs	26
4.7 Layoff Notice Pay	27
4.8 Termination	28
4.9 Resignation	28
HOW DO I GET PAID?	
5.0 COMPENSATION AND PAYROLL – See tab in back for specific wages	
5.1 Scheduling (Hourly Non-Exempt Employees)	29
5.2 Travel	31
5.3 Supplemental Pay (Non-Exempt Employees)	32
5.4 Breaks and Meal Periods (Non-Exempt Employees)	33
5.5 Supervisor Pay	33
5.6 Limited Part-time Pharmacists	34
5.7 Accumulation of Goal Hours	34
5.8 Interchange of Duties	34
WHAT ELSE DOES THE COMPANY OFFER ME?	
6.0 BENEFITS	
6.1 Benefit Options	35
6.2 Holidays	35
6.3 Vacations	38
6.4 Paid Sick/Personal Days (Hourly Non-Exempt Employees)	39
6.5 Membership	41
6.6 Sunshine Brooks Scholarship Program	42
6.7 Care Network	42

**Employee Agreement****WHAT IF I NEED TIME OFF?**

7.0 FAMILY AND MEDICAL LEAVES OF ABSENCE (LOA)	43
7.1 Rules Governing All Family/Medical Leaves	46
A. Requesting Family/Medical Leave of Absence	46
B. Leave Certifications and Reporting While on Leave	47
C. Accepting Employment While on Leave	48
D. Hours Accumulation	48
E. Holiday Pay	48
F. Return from Medical Leave	48
G. Transitional Return to Work	48
H. Benefit Coverage While on LOA	49
I. Pay While on Leave	50
8.0 NON-MEDICAL LEAVES	
8.1 Personal Leave	52
8.2 Winter Leave (Hourly Non-Exempt Employees)	52
8.3 Bereavement Leave	52
8.4 Military Leave	53
8.5 Jury Duty Leave	54

WHAT ARE THE CAREER OPPORTUNITIES?

9.0 HOURLY NON-EXEMPT CLASSIFICATIONS	
9.1 Home Office and Regional Offices	55
9.2 Warehouses and Business Centers	56
A. Licensed Positions	57
9.3 Depots	60
9.4 Meat Plant	60
9.5 Optical Lab	60
9.6 Packaging Plants	61
9.7 Costco Trading	61
9.8 Costco Travel	62
9.9 Auburn Business Facilities	62

HOW MUCH AM I PAID?

10.0 WAGES – Hourly Non-Exempt Wages	
10.1 Service Assistants	63
A. Employees Hired Between 3/5/07 and 3/3/13	63
B. Employees Hired On or After 3/4/13	63
10.2 Service Clerks	64
A. Employees Hired Between 3/5/07 and 3/3/13	64
B. Employees Hired On or After 3/4/13	64
10.3 Meat Cutters	65
A. Employees Hired Between 3/5/07 and 3/3/13	65
B. Employees Hired On or After 3/4/13	65
10.4 Truck Drivers-Depot	66
10.5 Extra Check Payments	66
10.6 Your True Rate of Pay	68



Employee Agreement

WHAT ARE THE RULES?

11.0 STANDARDS OF CONDUCT AND DISCIPLINE

11.1 Standards of Conduct and Discipline.....	69
11.2 Unpaid Suspension.....	69
11.3 Causes for Termination.....	70
11.4 Causes for Disciplinary Action.....	74
11.5 Gratuity Policy.....	76
11.6 Employment and Relationships.....	76
11.7 Standard of Ethics - Managers/Supervisors.....	77
11.8 Privacy Policy.....	78
11.9 Intellectual Property Provision.....	80
11.10 Electronic Communications and Technology Policy.....	80
11.11 Timecards (Non-Exempt Employees).....	82

WHAT DOES MEMBER SERVICE LOOK LIKE?

12.0 MEMBER SERVICE

12.1 Member Service Standards.....	83
12.2 Personal Appearance Policy.....	84

HOW DO I PROTECT MYSELF AND OTHERS?

13.0 SAFETY POLICIES

13.1 General Safety Rules.....	85
13.2 Food Handlers.....	86
13.3 Emergency Procedures.....	87
13.4 Forklift/Electric Pallet Jacks (EPJ).....	87
13.5 Hand Trucks.....	87
13.6 Pallets.....	88
13.7 Dock Safety.....	88
13.8 Chemical Safety.....	89
13.9 Lift/Carry Materials Safely.....	89

INDEX OF KEY WORDS.....90

ACKNOWLEDGMENT OF RECEIPT OF THE 2013 EMPLOYEE AGREEMENT.....95

This Agreement is a general statement of Company policies. Costco may, from time to time, revise its policies, practices, or procedures. This Agreement supersedes any previous Employee Agreement, and any document addressing Company policies that is inconsistent with this Agreement. To the extent any law differs from the policies included in this Agreement, the Company will comply with the law.

March 4, 2013

Employee Agreement



"WHAT DO WE STAND FOR?"

1.0—INTRODUCTION

Our Mission

To continually provide our members with quality goods and services at the lowest possible prices.

In order to achieve our mission we will conduct our business with the following Code of Ethics in mind:

Our Code of Ethics

1. Obey the law.
2. Take care of our members.
3. Take care of our employees.
4. Respect our suppliers.



If we do these four things throughout our organization, then we will achieve our ultimate goal, which is to:

5. Reward our shareholders.

Costco's Code of Ethics¹

1. Obey the law

The law is irrefutable! Absent a moral imperative to challenge a law, we must conduct our business in total compliance with the laws of every community where we do business. We pledge to:

- Comply with all laws and other legal requirements.
- Respect all public officials and their positions.
- Comply with safety and security standards for all products sold.
- Alert management if we observe illegal workplace misconduct by other employees.
- Exceed ecological standards required in every community where we do business.
- Comply with all applicable wage and hour laws.
- Comply with all applicable antitrust laws.
- Conduct business in and with foreign countries in a manner that is legal and proper under United States and foreign laws.
- Not offer or give any form of bribe or kickback or other thing of value to any person or pay to obtain or expedite government action or otherwise act in violation of the Foreign Corrupt Practices Act or the laws of other countries. Not request or receive any bribe or kickback.
- Promote fair, accurate, timely, and understandable disclosure in reports filed with the Securities and Exchange Commission and in other public communications by the Company.



¹ Adapted from Jim Sinegal's presentation of Costco's Code of Ethics



Employee Agreement

2. Take care of our members



Costco membership is open to business owners, as well as individuals. Our members are our reason for being – the key to our success. If we don't keep our members happy, little else that we do will make a difference. There are plenty of shopping alternatives for our members and if they fail to show up, we cannot survive. Our members have extended a trust to Costco by virtue of paying a fee to shop with us. We will succeed only if we do not violate the trust they have extended to us, and that trust extends to every area of our business. To continue to earn their trust, we pledge to:

- Provide top-quality products at the best prices in the market.
- Provide high quality, safe and wholesome food products by requiring that both suppliers and employees be in compliance with the highest food safety standards in the industry.
- Provide our members with a 100% satisfaction guarantee on every product and service we sell, including their membership fee.
- Assure our members that every product we sell is authentic in make and in representation of performance.
- Make our shopping environment a pleasant experience by making our members feel welcome as our guests.
- Provide products to our members that will be ecologically sensitive.
- Provide our members with the best customer service in the retail industry.
- Give back to our communities through employee volunteerism and employee and corporate contributions to United Way and Children's Hospitals.

3. Take care of our employees

Our employees are our most important asset. We believe we have the very best employees in the warehouse club industry, and we are committed to providing them with rewarding challenges and ample opportunities for personal and career growth. We pledge to provide our employees with:

- Competitive wages
- Great benefits
- A safe and healthy work environment
- Challenging and fun work
- Career opportunities
- An atmosphere free from harassment or discrimination
- An Open Door Policy that allows access to ascending levels of management to resolve issues
- Opportunities to give back to their communities through volunteerism and fund-raising



Employee Agreement

Career Opportunities at Costco:

- Costco is committed to promoting from within the Company. The majority of our current management team members (including Warehouse, Merchandise, Administrative, Membership, Front End and Receiving Managers) are "home grown."
- Our growth plans remain very aggressive and our need for qualified, experienced employees to fill supervisory and management positions remains great.
- Today we have Location Managers and Vice Presidents who were once Stockers and Callers or who started in clerical positions for Costco. We believe that Costco's future executive officers are currently working in our warehouses, depots and buying offices, as well as in our Home Office.

4. Respect our suppliers



Our suppliers are our partners in business and for us to prosper as a company, they must prosper with us. To that end, we strive to:

- Treat all suppliers and their representatives as we would expect to be treated if visiting their places of business.
- Honor all commitments.
- Protect all suppliers' property assigned to Costco as though it were our own.
- Not accept gratuities of any kind from a supplier.

These guidelines are exactly that—guidelines—some common sense rules for the conduct of our business. At the core of our philosophy as a company is the implicit understanding that all of us, employees and management alike, must conduct ourselves in an honest and ethical manner every day. Dishonest conduct will not be tolerated. To do any less would be unfair to the overwhelming majority of our employees who support and respect Costco's commitment to ethical business conduct. Our employees must avoid actual or apparent conflicts of interest, including creating a business in competition with the Company or working for or on behalf of another employer in competition with the Company.² If you are ever in doubt as to what course of action to take on a business matter that is open to varying ethical interpretations, TAKE THE HIGH ROAD AND DO WHAT IS RIGHT.

If we follow the four principles of our Code of Ethics throughout our organization, then we will achieve our fifth principle and ultimate goal, which is to:

² Except where otherwise provided by law.



Employee Agreement

5. Reward our shareholders



- As a company with stock that is traded publicly on the NASDAQ Stock Market, our shareholders are our business partners.
- We can only be successful so long as we are providing them with a good return on the money they invest in our Company.
- This, too, involves the element of trust. They trust us to use their investment wisely and to operate our business in such a way that it is profitable.
- Over the years Costco has been in business, we have consistently followed an upward trend in the value of our stock. Yes, we have had our ups and our downs, but the overall trend has been consistently up.
- We believe Costco stock is a good investment, and we pledge to operate our Company in such a way that our present and future stockholders, as well as our employees, will be rewarded for our efforts.

Reporting of Violations and Enforcement

1. The Code of Ethics applies to all directors, officers, and employees of the Company. Conduct that violates the Code of Ethics will constitute grounds for disciplinary action, ranging from reprimand to termination and possible criminal prosecution.
2. All employees are expected to promptly report actual or suspected violations of law or the Code of Ethics. See Section 2 for where and how to report violations. Federal law, other laws and Costco policy protect employees from retaliation if complaints are made in good faith.



Employee Agreement

**What do Costco's Mission Statement
and Code of Ethics have to do with you?
EVERYTHING!**

The continued success of our Company depends on how well each of Costco's employees adheres to the high standards mandated by our Code of Ethics. And a successful company means increased opportunities for success and advancement for each of you.

No matter what your current job, you can put Costco's Code of Ethics to work every day. It's reflected in the energy and enthusiasm you bring to work, in the relationships you build with your management, your co-workers, our suppliers and our members.

By always choosing to do the right thing, you will build your own self-esteem, increase your chances for success and make Costco more successful, too. It is the synergy of ideas and talents, each of us working together and contributing our best, which makes Costco the great company it is today and lays the groundwork for what we will be tomorrow.

How we do business

Our Warehouses:

- We operate large, no-frill, low-cost facilities designed for simplicity, economy and efficient use of shopping space.

Our Merchandise:

- We offer a wide range of product categories with a narrow selection of the most popular items and styles within each category.
- Goods are displayed in original cartons on pallets, allowing for efficient storing and moving of products into display/sell positions.
- We carry nationally branded products as well as our own top-quality private label goods (Kirkland Signature products), which must meet or exceed national brand quality and provide a substantial savings to our members.
- While name-brand recognition is very important, buyers purchase only high-quality products based on which items they can obtain at the best price. This is why at different times our members may find products of the same high quality but in different brands.



Employee Agreement

Employee Agreement



Our Depots:

- To reduce the cost of receiving goods and improve productivity, our depots receive goods by truck or container in a cross-dock manner. Products come in from our manufacturers at one dock and leave later that day or the next from another dock in a truck bound for our warehouses.

Our Other Businesses:

To ensure our members the highest quality and best prices in certain categories, Costco owns and operates ancillary businesses which source, manufacture, and provide products and services. These are:

- Costco Auburn Business Facilities
- Costco Business Centers
- Costco Travel
- Costco Wholesale Industries (CWI)
 - * Costco Trading
 - * Meat plants
 - * Optical laboratories
 - * Packaging plants

"WHAT POLICIES DO I NEED TO KNOW?"**2.0—PERSONNEL PROCEDURES AND POLICIES****2.1 OPEN DOOR POLICY/
RESOLUTION OF DISAGREEMENTS**

When a work-related disagreement occurs, every effort should be made to resolve the issue right away at the workplace level, starting with your Supervisor. However, Costco's Open Door Policy means that you have the option of contacting any Supervisor or Manager to help you resolve problems. Since Costco fosters an atmosphere of openness and mutual support, you may contact ascending levels of management either verbally or in writing, preferably in the following order:

1. Supervisor/Manager

You are encouraged to first speak with your immediate Supervisor/Manager, who will provide a response in a timely manner.

2. Location Manager

If you do not feel comfortable approaching your Supervisor/Manager, if your Supervisor/Manager has not resolved the issue, or if you do not agree with your Supervisor/Manager's response, then please inform your Location Manager of the problem, either verbally or in writing. Again, you will receive a prompt response.

3. Regional/Senior/Executive Vice President

If you do not agree with the response provided by your Location Manager, or if you are not comfortable approaching your Location Manager, please inform your Regional, Senior, or Executive Vice President of the problem, either verbally or in writing. Again, you will receive a prompt response.

4. Home Office Human Resources Department

If you do not agree with the response provided by your Regional, Senior, or Executive Vice President, or if you are not comfortable approaching them, please inform the Home Office Human Resources Department of the problem, either verbally or in writing. Again, you will receive a prompt response.

5. Ombud's Office

1-800-284-4882

The purpose of the Ombud is to assist Costco employees by listening, discussing issues, answering questions, reviewing policies, providing information and referrals, facilitating meetings with management and helping develop options for problem resolution. The Ombud serves as an additional advocate for fairness. Before contacting the Ombud's Office, you are urged to use the Open Door Policy as described above. Please be prepared to present the Ombud with all steps taken to resolve the issue, as well as the Supervisors, Managers, Vice Presidents, and members of Human Resources with whom you worked regarding the matter.

**Employee Agreement****6. Improper Deductions from Salary**

It is our policy to comply with the salary basis requirements of the Fair Labor Standards Act (FLSA) and state law. The Company does not allow deductions that violate these requirements.

What To Do If An Improper Deduction Occurs

If you believe that an improper deduction has been made to your salary, you should immediately report this information to your Location Manager or Human Resources.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made. The Company does not tolerate any retaliation against those who make such reports.

Please see the Intranet for detailed information on the types of salary deductions that may constitute improper deductions under this policy.

2.2 EQUAL OPPORTUNITY

It always has been and continues to be Costco's policy that employees should be able to enjoy a work environment free from all forms of unlawful employment discrimination. All decisions regarding recruiting, hiring, promotion, assignment, training, termination, and other terms and conditions of employment will be made without unlawful discrimination on the basis of race, color, national origin, ancestry, sex, sexual orientation, gender identity or expression, religion, age, pregnancy, disability, work-related injury, covered veteran status, political ideology, genetic information, marital status, or any other factor that the law protects from employment discrimination. Individuals will be selected for promotion based on skill and ability. Where skill and ability are equal, then length of continuous employment will be the determining factor.

Additionally, Costco prohibits unlawful harassment of its employees, applicants, or independent contractors in any form. Complaints of unlawful employment discrimination or harassment should be reported as discussed below in Section 2.5. In cases where investigation confirms the allegations, appropriate corrective action will be taken, regardless of whether the inappropriate conduct rises to the level of any violation of law. No employee will suffer retaliation for reporting, in good faith, any violation of Company policy or unlawful discrimination, harassment, or retaliation.

**Employee Agreement****2.3 AMERICANS WITH DISABILITIES ACT (ADA)**

It is Costco's intent to fully comply with our duty to provide reasonable accommodations to allow people with disabilities to apply for and perform their jobs. If you have a disability that affects your job performance, let us know as soon as possible.

We will then discuss with you the reasonable accommodations we may be able to provide to enable you to perform the essential functions of your job. If you become unable to perform your essential job functions, even with reasonable accommodation, we will try to assist you in identifying other jobs that may become available and for which you may be otherwise qualified.

If you are assigned to a new position on a non-temporary basis due to permanent or long-term work restrictions, you will be paid at the rate of pay for the new position.

If you feel the above policy is in any way violated, you are required to use the Open Door Policy (Section 2.1) and report the violation to management.

2.4 ANTI-HARASSMENT POLICY

It is Costco's intent to provide a working and shopping environment free from all verbal, physical and visual forms of harassment for employees, applicants, independent contractors, members, and suppliers. All employees are expected to be sensitive to and respectful of their co-workers and others with whom they come into contact while representing Costco. We prohibit all forms of harassment based upon any protected status, including race, color, national origin, ancestry, sex, sexual orientation, gender identity or expression, religion, age, pregnancy, disability, work-related injury, covered veteran status, political ideology, genetic information, marital status, or any other protected status.

Examples of the conduct we prohibit include:

- Epithets, slurs, negative stereotyping or threatening, intimidating or hostile acts that relate to any of the above-mentioned protected groups.
- Written or graphic material displayed or circulated in our workplace that denigrates or shows hostility or aversion toward any of the above-mentioned protected groups.

**Employee Agreement**

With respect to sexual harassment, examples of the conduct we prohibit include:

- Vulgar or sexual comments, jokes, stories, and innuendo.
- Graphic or suggestive comments.
- Gossip or questions about someone's sexual conduct or orientation.
- Vulgarity, inappropriate or unwelcome touching or staring, and obscene or suggestive gestures.
- Display in the workplace of sexually suggestive images, cartoons, graffiti, and the like.
- Unwelcome and repeated flirtations, requests for dates, and the like.
- Subtle pressure for sexual activity, including unwelcome sexual advances by a Supervisor to a subordinate.
- Solicitation or coercion of sexual activity, dates, or the like with the implied or express promise of rewards or preferential treatment.
- Solicitation or coercion of sexual activity, dates, or the like by the implied or express threat of punishment.
- Sexual assault.
- Intimidating, hostile, derogatory, contemptuous, or otherwise offensive remarks directed at a person because of that person's sex, whether or not the remarks themselves are sexual in nature, where the remarks cause discomfort or humiliation.
- Retaliation against an employee for refusing sexual or social overtures, for complaining about sexual harassment, for assisting another employee to complain, or for cooperating with the investigation of a complaint.

Harassment can be difficult to define. Misconceptions abound. For this reason, we require you to use our harassment reporting policy without worrying about whether the conduct involved would be considered harassment in a legal sense.

If you consider the conduct to be harassment, report it. This policy is intended to assist Costco in addressing not only illegal harassment, but also any conduct that is offensive or otherwise inappropriate in our work environment.

**Employee Agreement****2.5 REPORTING HARASSMENT, DISCRIMINATION, OR RETALIATION**

If at any time you believe you are being subjected to harassment, discrimination, or retaliation, if you become aware of such conduct being directed at someone else or if you believe another employee has received more favorable treatment because of discrimination or sexual favoritism, you are required to report the matter to a Manager or above as outlined in the Open Door Policy in Section 2.1. Sexual favoritism occurs whenever an employment decision is based upon an employee's receptiveness to sexual advances. This duty to report applies to harassment, discrimination, or retaliation caused by anyone with whom an employee comes into contact as part of the employee's job: Managers, Supervisors, co-workers, members, independent contractors, suppliers, or others. All reported incidents will be investigated under the following guidelines:

- All complaints will be kept confidential to the fullest extent possible, and will only be disclosed as necessary to allow us to investigate and respond to the complaint. No one will be involved in the investigation or response except those with a need to know. All employees who participate in investigations are held to the same standards of confidentiality.
- We will not permit retaliation against anyone who, in good faith, makes a complaint, assists another to complain, or cooperates in an investigation. If you feel you are being subjected to retaliation, report the matter to a Manager.
- Anyone who is found to have violated our policies against harassment, discrimination, or retaliation is subject to corrective action up to and including immediate termination of employment, regardless of whether the violation amounts to a violation of law. Corrective action will depend on the severity of the offense. We will take whatever action we deem necessary to ensure the inappropriate behavior stops.

Again, you are required to report all incidents of harassment, discrimination, retaliation, or other inappropriate behavior as soon as possible. We want to provide you with a pleasant and productive working environment, but we can't do that if these issues are not brought to our attention. Please join us in our efforts to maintain Costco as an enjoyable place to work for everyone.

**Employee Agreement****2.6 ANONYMOUS REPORTING OF ACCOUNTING ISSUES OR ILLEGAL CONDUCT**

Costco has established a confidential reporting tool relating to concerns with or complaints about: Costco's accounting, auditing and internal controls; or anyone at or connected with Costco who has committed, is committing, or is about to engage in conduct that may be illegal. The tool can be accessed through www.costco.ethicspoint.com, which is available on the internet, the Intranet, and the eNet. You are encouraged to use the Open Door Policy before you utilize the Ethicspoint system.

Reports can be made anonymously if you prefer. Please include as much detail as possible to permit an investigation of the subject matter of your report. All reports will be reviewed by Costco's General Counsel and Chief Compliance Officer, who will either investigate the matter themselves or forward to the appropriate person(s) for review/investigation. In addition, you can make a report in writing and/or provide documentation for your concern/complaint by addressing it to "Confidential Submission" and mailing to the General Counsel, Costco Wholesale Corporation, 999 Lake Drive, Issaquah, WA 98027.

Federal law and Costco policy protect you from retaliation or reprisal if you, in good faith, make a complaint of this type. If you believe that you have been the subject of retaliation for making a complaint, you may report that through the procedures discussed above. As you know, it is part of our Code of Ethics that we obey the law, including the securities laws and accounting standards. The Company encourages the good faith reporting of unlawful or inappropriate activity.

**Employee Agreement****2.7 DRUG AND ALCOHOL-FREE WORKPLACE POLICY**

Costco is dedicated to ensuring a safe, efficient, drug and alcohol-free working and shopping environment. It is Costco's policy that all employees, including management, are to be free of the presence and adverse effects of unauthorized substances at all times so they are capable of exercising good judgment and safe work behavior. For more detailed information, see Costco's policy handout on this subject, available from your Manager or on the Intranet.

Costco specifically prohibits employees from engaging in the following conduct while working, while on Company premises, while conducting Company business at any location, or while utilizing Company vehicles, machinery, or equipment including, but not limited to:

1. The use, possession, purchase, sale, solicitation, manufacture, distribution, dispensation, or transfer of illegal drugs or drug paraphernalia.
2. The unauthorized possession of open containers of alcohol or use of alcohol at any point during the workday, including meal periods.
3. Being under the influence of unauthorized substances.
4. The use of inhalants.

In addition, Costco specifically prohibits:

5. Refusal to cooperate in a drug or alcohol test required by this policy.
6. Reporting for duty or remaining on duty with the presence or adverse effects of any unauthorized substance in an employee's system.

This policy does not prohibit employees from the lawful possession and use of over-the-counter and prescribed medications. Employees have the responsibility to consult with their doctors or other licensed medical practitioners about the effect of over-the-counter and prescribed medications on their ability to perform their specific job duties in a safe manner, and to promptly disclose any work restrictions to their Managers or the Human Resources Department. Employees should not, however, disclose underlying medical conditions, impairments or disabilities to their Managers or the Human Resources Department unless specifically directed to do so by their doctors or other licensed medical practitioners.

The use of marijuana, even if permitted by state law, will not be considered a legitimate medical explanation by Costco, and its Medical Review Officer (MRO), for a positive drug test result for marijuana.

**Employee Agreement****2.8 DRUG AND ALCOHOL TESTING**

To ensure compliance with this policy, Costco will conduct drug and alcohol testing for unauthorized substances in the situations described below, and in accordance with applicable state law. Failure to successfully pass a drug and/or alcohol test will cause the individual to be ineligible for employment and may subject an employee to termination of employment. Refusal to report for, submit to, or cooperate in a required drug and/or alcohol test will be considered a violation of the Drug and Alcohol-Free Workplace Policy, insubordination, and grounds for termination of employment.

1. **Pre-Employment Testing** All final applicants being considered for a position must pass a drug test before they receive an unconditional offer of employment and/or begin working for the Company. This includes all rehires for full-time, part-time or Seasonal employment.³
2. **Reasonable Suspicion Testing** If a Manager, based on reasonable conclusions drawn from specific facts, reasonably suspects an employee is using or is under the influence of an unauthorized substance while the employee is working, on Company premises, utilizing a Company vehicle, machinery, or equipment, or conducting Company business at any location, then the Company may require the employee to undergo a drug and/or alcohol test.
3. **Post-Accident Testing** When the Company reasonably believes an employee caused or contributed to a work-related accident that results in damage to Costco vehicles, machinery, equipment or property, or results in an injury to a person who requires off-site medical treatment, the employee will be required to submit to a drug and alcohol test as soon as practical following the accident. An employee who is required to submit to a post-accident drug and alcohol test will be removed from the performance of safety-sensitive functions pending the final result(s) of the test. Employees must notify their Manager as soon as possible after any accident, even if it does not result in serious damage to Company vehicles, machinery, equipment or property, or an injury to a person.

³ Except regular layoffs rehired within 180 days and Seasonal terminations rehired within 60 days.

**Employee Agreement**

4. **Return to Duty and Follow-Up Testing** An employee who has signed a *Contract for Continued Employment (CCE)* and has undergone a substance abuse evaluation, whether or not through the Care Network, will not be permitted to return to duty without passing any appropriate drug and/or alcohol tests and is subject to follow-up drug and/or alcohol testing at times and frequencies determined by Costco for up to two (2) years.

Note:

1. "Unauthorized substances" are defined as alcohol, illegal drugs, inhalants and any legally prescribed drugs being used in a manner for which they were not intended or prescribed, including, but not limited to, the use of prescription drugs prescribed for another individual.
2. The application of this Policy may vary based on legal requirements in some states.

2.9 VOLUNTARY REQUESTS FOR ASSISTANCE

Costco encourages employees with drug and alcohol problems to seek help from the Care Network before they become subject to discipline for violating Costco's Drug and Alcohol-Free Workplace Policy or any other Costco policies. Costco will support, assist, and accommodate those employees to the extent required by applicable law. Employees will not be disciplined by Costco because they request assistance, but may not avoid discipline by requesting assistance after they violate Costco's policies or are notified of their selection for drug or alcohol testing. In addition, employees who request assistance will not be excused from complying with Costco's policies, including its standards for employee performance and conduct.

2.10 FITNESS FOR DUTY

When a Manager has a reasonable belief based on objective evidence that an employee's medical condition will impair his or her ability to perform essential job functions, or cause the employee to pose a direct threat to the safety or health of the employee or others, then the Company may require the employee to undergo a medical fitness for duty evaluation. This evaluation is performed by a licensed physician selected by the Company and may include drug, alcohol and/or psychiatric testing. Refusal to report for a fitness for duty examination as scheduled, or refusal to submit to any test requested by the physician, will be considered insubordination and grounds for termination of employment.

**Employee Agreement****"WHAT'S MY JOB AND
HOW COULD IT CHANGE?"****3.0—EMPLOYEE CLASSIFICATIONS*****See tab in back for specific classifications***3.1 EMPLOYEE STATUS****A. Full-Time Employees**

Are guaranteed and regularly scheduled 40 hours per week or regularly scheduled for four 8-hour days, plus at least six hours on Sunday.

B. Part-Time Employees

Are regularly scheduled less than 40 hours per week, but are guaranteed to be scheduled no less than 24 hours per week (this does not apply to Seasonal Employees, as stated below in Section G).

In the warehouse, we will focus on hiring part-time people willing to work Saturdays, Sundays, and evenings.

C. Limited Part-Time Employees

- Are regularly scheduled less than 24 hours per week by mutual agreement between you and the Location Manager. If you are scheduled limited part-time and, by mutual agreement between you and the Location Manager, choose to move to a regular part-time schedule, then you will immediately be reclassified to part-time status and begin accruing hours to become eligible for benefits.
- Are not eligible for medical, dental, and vision benefits, but are eligible for Voluntary Short-Term Disability, the Care Network, the Employee Stock Purchase Plan, and the 401(k) Plan.
- There may be up to 20 employees at each location working limited part-time schedules.

D. Salaried Non-Exempt Managers

- Are entitled to overtime pay and are provided with meal periods and rest breaks by this Agreement and applicable laws.
- Are not entitled to Sunday premium pay.

E. Exempt Employees

- Are not entitled to premium pay or to overtime pay under this Agreement and applicable laws.

**Employee Agreement****F. Probationary Employees**

- Are classified as Probationary during their first 90 days of employment.
- You will be evaluated during your 90-day Probationary period. Continued employment depends upon a satisfactory evaluation. During the 90-day Probationary period, Costco reserves the right to terminate employment with or without cause or notice. If you are off work during the 90-day Probationary period for any authorized leave of absence, including illness, accident or workers' compensation injury, then your 90-day Probationary period is extended upon your return to work by the amount of time you were absent, up to a maximum of 90 days.

G. Seasonal Employees

Costco will periodically hire Seasonal employees.

The following Seasonal periods apply:

Costco warehouses: October 7 – Sunday of Period 5 inventory

Depots: September 15 – January 15

Costco Travel: January – March

Optical Labs/Optical Depot: May – September 30

CWI: Meat Plant: April – August

Costco Trading: October – December

Costco Packaging Plants: August – December

If you remain employed after the Seasonal period, you will be reclassified. If you do not complete your 90-day Probationary period during the Seasonal period, you will be reclassified as Probationary until your length of continuous employment, including the time classified as Seasonal, totals 90 days. If you complete your 90-day Probationary period during the Seasonal period, you remain classified as Seasonal until the end of the Seasonal period.

As a Seasonal employee:

- You are not eligible for holiday pay.
- You are not guaranteed a minimum number of hours per week.
- You are not eligible for paid vacation or sick/personal days.
- Hours worked during the Seasonal period are not included for purposes of determining full-time status or promotion to a higher classification.
- Your employment may be terminated at any time during the Seasonal period.
- If your employment is terminated during the Seasonal period and you are rehired within 60 days, you will have your original hire date reinstated and you are not required to take a pre-employment drug test or complete another background check. In addition, time worked during the Seasonal period will be applied toward completion of your 90-day Probationary period.



Employee Agreement

H. Transitional Duty

Transitional duty is a temporary assignment of duties, which may not encompass all the duties of a position. If you have a temporary medical restriction that prevents you from performing the essential functions of your position with or without reasonable accommodation, you may be eligible for transitional duty, if available, for a maximum of six weeks. After six weeks, your status will be re-evaluated.

If you are assigned to transitional duty in a position in a lower pay classification, you continue to receive your normal rate of pay while on transitional duty for a maximum of six weeks. If you are assigned to temporary transitional duty for longer than six weeks, you will be paid at the rate of pay for the position you are performing. Your benefits may be affected by your transitional duty assignment. Please see your Health Care Summary Plan Description for more detailed information.

3.2 FORKLIFT/CASHIER TRAINING

Opportunities will be posted for those interested in being trained on the forklift or on the cash register. Selections for training will be made according to length of continuous employment, so that when openings occur you may be qualified to apply. All forklift drivers must successfully complete and pass the forklift certification program. If while training on the forklift or cash register you work in a higher classification, you will be paid at the next highest rate in that classification for training time totaling 15 or more consecutive minutes. Training hours worked in the higher classification will not count toward automatic changes to status or classification.



Employee Agreement

3.3 JOB POSTINGS**A. Regular Job Postings**

- All Job Openings, up to and including Staff Managers in the locations and Assistant Buyers and Salaried Managers at the Home and Regional offices, are posted.
- Postings for Home Office and Regional Job Openings are posted on the Intranet.
- Personnel rotations, such as Supervisor/Manager moves between locations or within a location, do not need a posting, as there is no Job Opening.
- For open Supervisor or Manager positions, rotations may be completed first, and then the remaining Job Opening posted.
- If a position reopens within 60 days of the close of the posting, it does not need to be re-posted and will be awarded to the next most-qualified candidate.

When a Job Posting is needed, the position is filled by a person whose skills and abilities best match those outlined in the Posting. Where skill and ability are equal, length of continuous employment is the determining factor except where necessary to comply with the Americans with Disabilities Act (ADA) and/or state law.⁴ Specific Job Posting guidelines can be found in the Rothman Workplan. Although Costco's philosophy is to promote from within, we may hire outside the Company when appropriate.

B. Temporary Job Openings

Temporary Job Openings expected to last longer than six weeks are posted. For those lasting less than six weeks, our business needs can be addressed through an interchange of duties. Opportunities to temporarily work full-time, though an opening does not exist, may be posted within the department needing to add hours. Prior to accepting a Temporary Job, employees should meet with their Manager to discuss their status once the Temporary Job ends.

Temporary Job Postings will:

- Follow the guidelines listed in Section 3.3 A. Regular Job Postings.
- State that the position is temporary.
- Give an estimated length of time that the position will be needed.
- Not count toward automatic change to full-time status or an automatic move to a higher classification.
- Not guarantee that the employee returns to their previous position.

For any temporary salaried exempt job, non-exempt employees will be paid at an hourly off-scale rate equal to the salary for the Temporary Job.

⁴ As part of the accommodation process.

**Employee Agreement****4.0 – EMPLOYMENT STATUS CHANGE****4.1 AUTOMATIC CHANGES TO STATUS****A. Part-time to Full-time**

Part-time employees who are scheduled to work an average of 40 hours per week for eight consecutive weeks in their own department will be promoted to full-time.

This does not apply during Seasonal periods in any Costco business, during your 90-day Probationary period, or while working in a posted Temporary Job.

B. Full-time to Part-time

If you are a full-time employee and average less than 36 hours paid per week during the first 13 pay periods or during the second 13 pay periods of the fiscal year, you will be reclassified as part-time.⁵

4.2 CHANGE TO CLASSIFICATION

If you work an average of more than 50% of your hours in a higher classification for eight consecutive weeks, you will be promoted to that classification.

This does not apply during Seasonal periods in any Costco business, during your 90-day Probationary period, or while working in a posted Temporary Job.

A. Pay

When promoted to a higher classification, you are moved to the pay scale associated with that classification. On the new pay scale, you receive the next highest wage that will grant you an increase.

B. Retention of Hours Upon Promotion

When you transfer between classifications, you retain your accumulated hours for the next goal raise.

C. Within 30 Days of Promotion and/or Transfer

The first 30 days of a transfer or promotion is used to evaluate your performance in the new position. If the evaluation is not satisfactory, or if you decide within 30 days that you wish to return to your previous location/pay classification, you will:

- Return to your prior classification at your prior rate of pay.
- Not be guaranteed the same position.
- Wait 90 days before requesting a schedule preference.

⁵ Effective 9/2/13. Except where otherwise provided by law.

Employee Agreement**4.3 DEMOTIONS TO LOWER CLASSIFICATIONS****A. Demotions****1. Disciplinary Demotions**

Disciplinary demotions may occur after at least two prior documented counseling notices for poor job performance within the three-month period preceding the demotion. Demotions may also occur in lieu of termination of employment.

2. Voluntary Demotions

Voluntary demotions will occur when you voluntarily remove yourself from a position. In the event of a voluntary demotion, you should post into an open position.

B. Pay and Classification Following a Demotion**1. Hourly Employees**

- You move to the pay scale associated with your new position.
- Your pay is reduced to the next-lowest rate of pay in the lower classification.
- If you were not at the top of the pay scale prior to demotion, you retain hours earned toward your next goal raise.
- If you received an Extra Check payment prior to demotion, you remain Extra Check payment eligible.

2. Supervisors/Salaried Employees

- You return to the pay scale you were on before your promotion.
- On that original pay scale, you retain the number of hours worked before the promotion and you are credited the number of hours worked in the higher classification. Based on the combination of hours, your pay rate is moved up to the corresponding step on the pay scale.
- Now that your rate of pay has been determined, you will be moved to the scale associated with your new position.
For example, you were a Service Clerk prior to your Supervisor promotion, but the demotion is going to be to a Service Assistant job. We determine what the rate of pay is on the Clerk scale before moving you to the Service Assistant scale.
- If you received an Extra Check payment prior to demotion, you remain Extra Check payment eligible.

**Employee Agreement****4.4 TRANSFERS**

The Company is under no obligation to transfer employees from one location to another.

Employees wishing to transfer should post to an open position. To request a transfer to a different location, you must:

- Complete a Request for Transfer form.
- Submit the completed form to the desired location(s) along with a copy of your last performance review, attendance record, and a letter of reference from your current Location Manager.
- A transfer request is not considered approved until the new Location Manager signs your Request for Transfer form. Keep a copy of the approved form until your transfer process is complete.

If you wish to work at the Home or Regional offices, you must have spent at least one year at a Costco location prior to posting to an open position.

4.5 LENGTH OF CONTINUOUS EMPLOYMENT

Length of continuous employment is defined by your hire date. Former employees who are rehired will receive a new hire date.⁶

4.6 REDUCTION IN WORKFORCE/LAYOFFS

Costco tries to avoid Non-Seasonal layoffs by giving you the opportunity to perform other work where possible, provided you have the skill, knowledge, and ability to perform the work.

A. Reduction In Workforce

Should it become necessary to reduce the number of employees in any classification or department, the reduction will take place as follows:

- Reductions are conducted according to length of continuous employment.
- Every effort will be made to keep employees at their original rate of pay in the same classification.
- Full-time employees take precedence over part-time employees; therefore, part-time employees with the shortest length of continuous employment may be moved to available positions first. If you are moved to a new position or classification as part of a reduction in workforce, then you may not use your seniority to request a schedule preference for six months.
- Full-time employees' status may be changed to part-time in lieu of layoffs.

If the location is able to return a displaced employee to their original position within 180 days, no posting is necessary and there is no waiting period to request a schedule preference. Employees should be returned to their original position prior to the location hiring new employees.

⁶ Except in the case of layoffs, Seasonal terminations or return from military service. See the Intranet for detailed rehire information.

**Employee Agreement****B. Layoffs**

If layoffs are unavoidable, they will take place as follows:

- Layoffs are conducted according to length of continuous employment.
- Full-time employees take precedence over part-time employees; therefore, part-time employees with the least years of service would be laid off first.

In the event you are laid off, and you are recalled within 180 days, the following applies:

- You are recalled according to length of continuous employment (most senior first).
- You are reinstated at your last rate of pay and you retain any hours previously accumulated toward your next increase.
- Your original hire date is reinstated.
- You are not required to take a pre-employment drug test.
- You are not required to complete another background check.
- If you previously completed your 90-day Probationary period, you are not required to complete another one.
- If you did not previously complete your Probationary period, you are required to complete the full 90-day Probationary period and will be reviewed during this period.

If you previously qualified for medical benefits, you are eligible to continue medical benefits on the day that you are rehired, provided you meet all eligibility requirements.

4.7 LAYOFF NOTICE PAY (REGULAR EMPLOYEES ONLY, NOT SEASONAL OR TEMPORARY)

- If continuously employed for one year or more, you receive either one-week's notice of discontinuance of employment, or one week's pay in lieu thereof.
- For two years of continuous service, you receive two weeks' notice or two weeks' pay.
- For five years of continuous service, you receive three weeks' notice or three weeks' pay.
- For ten or more years of continuous service, you receive four weeks' notice or four weeks' pay.

**Employee Agreement****4.8 TERMINATION**

We reserve the right to terminate your employment for good and sufficient cause as defined by Costco. This includes, but is not limited to, the "Causes for Termination" listed in Section 11.3. No prior Counseling Notice is required. In addition, we reserve the right to terminate employment at any time during the 90-day Probationary period without cause and without notice. No Counseling Notice is required.

Employment may also be terminated for repeated violations of policies listed under Standards of Conduct and Discipline in Section 11.0. Prior to terminating the employment of an individual who has been employed two or more years, the circumstances must be reviewed with a Senior Vice President or above. Prior to terminating the employment of an individual who has been employed five or more years, the circumstances must be reviewed with an Executive Vice President or above.

4.9 RESIGNATION

We reserve the right to accept your resignation effective immediately and separate employment, even if notice is provided.

Employee Agreement

"HOW DO I GET PAID?"
5.0—COMPENSATION AND PAYROLL*

**See tab in back for specific wages*

Work Week and Work Day Definitions

For payroll and accounting purposes, the work week is Monday through Sunday and the work day is midnight to midnight. Paychecks are issued every other Friday.

5.1 SCHEDULING (Hourly Non-Exempt Employees)

You will not be required to work more than six consecutive days in any work week. You may volunteer to work additional days if you so desire. Unless mutually agreed to by both employee and Manager, we will attempt to schedule as many full-time employees as possible for five consecutive days. Employees who have the most years of continuous employment are offered first options for an available schedule when all other aspects (i.e., full-time, part-time, classification, department) are equal.

When you transfer to a new location, promote or demote to a new position, or move to a different department including as part of a Reduction in Workforce, you agree to meet all requirements of that position, which include availability. In these situations, you may not use your seniority to request a schedule preference for the first six months.

A. Ratio of Full-time and Part-time Employees

To conduct our business, our standard is to maintain at least a minimum of 50% full-time employees.

B. Minimum Hours Work Week

All employees, with the exception of Seasonal employees, are scheduled to work a minimum of 24 hours per week. There may be exceptions made for up to 20 limited part-time employees at each location who choose to work fewer hours on a regular basis.

C. Minimum Work Day

You are guaranteed to work or be paid for at least four hours per work day, whether you are scheduled or called to come in. This four-hour minimum does not apply to mandatory employee meetings.⁷

⁷ Except where otherwise provided by law.

**Employee Agreement****D. Work Schedule**

We post a work schedule in each location no later than noon on the Monday before each work week. This schedule includes your name, work shift start and end times, and days off. Once the schedule has been posted, the Company will not change your schedule without providing you personal notification from a Supervisor or Manager at least 24 hours in advance. This advance notice does not apply to a request that you work overtime at the end of your regular shift.

E. Physical Inventory

You may be required to work Physical Inventory. Whenever possible, notice of Physical Inventory will be given at least one week in advance.

F. Employee Meetings

Mandatory employee meetings may be scheduled on a quarterly basis. Voluntary meetings may be scheduled from time to time. You are paid only for actual time spent attending such meetings.⁸

Overtime pay for working multiple shifts in a day does not apply when one shift is for the purpose of attending an employee meeting. However, if the combined time spent working and attending a meeting exceeds eight hours, you will be paid overtime for all hours over eight in a day or all hours over 40 in a work week.

Example:

You attend an employee meeting from 8am to 10am and then work from 2pm to 10:30pm on the same day. You will receive overtime for the last two hours of your shift.

G. Closure of Business

Should the workplace be forced to close due to circumstances such as power outage, earthquake, snow, natural disasters, etc., hourly non-exempt employees are paid only for time worked.⁹ Every effort is made to reschedule you so that you can work your normally scheduled number of hours. No 24-hour notice of schedule change and no four-hour minimum work shift guarantee is required in the event of an emergency.

⁸ Except where otherwise provided by law. For example, in California, employees who return to the warehouse during the same work day for such a meeting are entitled to a minimum of two hours of pay. For example, in New York, employees may be entitled to additional pay.

⁹ Except where otherwise provided by law.

**Employee Agreement****5.2 TRAVEL**

While traveling on Company business, employees must conduct themselves in a manner that reflects well on Costco. Misconduct while traveling on business can be a basis for discipline.

A. Expenses

If you drive your own vehicle, you may be entitled to a reimbursement. You also may be entitled to reimbursement of other expenses, including hotel and meal costs, as outlined in the Travel and Entertainment Policy. (A copy of this policy is posted on the Intranet.)

B. Work Time (Non-Exempt Employees)

Employees are paid for all hours worked. Travel time may count as hours worked, as described below. (For detailed information, see the Travel Policy posted on the Intranet.)

C. Travel Time (Non-Exempt Employees)**Overnight travel¹⁰**

You are paid for all travel that occurs during your normal working hours, regardless of whether you are scheduled off that day.

One-day travel¹¹

For travel to an alternate work site, you are paid for all travel time over and above your normal commute to your home location. If you are required to report to your home location first, all time spent traveling to the alternate work site is paid as hours worked.

¹⁰ In some states, such as California, Colorado, Connecticut, and Wisconsin, all overnight travel time is treated as hours worked, without regard to whether it falls within or outside the employee's normal working hours.

¹¹ Except where otherwise provided by law. See the Intranet for additional information.



Employee Agreement

5.3 SUPPLEMENTAL PAY (Non-Exempt Employees)

There is no duplication of overtime. Overtime is paid at a rate of time-and-one-half or double time. The work day is midnight to midnight.

A. Sunday Premium Pay (Hourly Non-Exempt Employees)

All hours worked on Sunday are paid at the rate of time-and-one-half (Sunday premium pay).¹²

B. Overtime is paid at a rate of time-and-one-half:

1. For all hours worked in excess of eight hours per day, including employee meetings.
2. For all hours worked in excess of eight hours per shift.
3. For all hours worked during a later shift when there are multiple shifts in a day, regardless of the length of each shift, when there is less than eight hours between shifts (except in the event of an employee meeting). See also Section 5.1.F, Employee Meetings.
4. For all hours worked in excess of 40 hours per week.

Paid vacation, sick/personal days, Martin Luther King, Jr.'s Birthday, and floating holidays do not count for purposes of computing overtime pay.¹³

All overtime requires Supervisor approval PRIOR to working overtime. All overtime will be paid; employees working unapproved overtime or failing to record hours worked may be subject to discipline.

C. Double Time is paid:

1. For all consecutive hours worked in excess of 12 in any work day.¹⁴
2. If you work Monday through Sunday and work more than eight hours on Sunday, regardless of the number of hours worked Monday through Saturday, double time starts after eight hours on Sunday and continues until you have a day off.

¹² Senior Hearing Aid Specialists are not eligible for Sunday premium pay, except where otherwise provided by law.

¹³ Paid bereavement leave and jury duty leave may count for purposes of computing overtime.

¹⁴ Except where additional payment is required by law. For example, in California, double time will be paid for all hours worked in excess of 12 hours in a work day and the hours need not be consecutive.



Employee Agreement

D. Other Non-Exempt Employees**1. Salaried Non-Exempt Managers**

- Overtime is paid for all hours worked in excess of eight hours per day or 40 hours per week.¹⁵
- Are not eligible for Sunday premium pay.

2. Pharmacists (Non-Exempt)

- Overtime is paid for all hours worked in excess of 40 hours per week.¹⁶
- Are not eligible for Sunday premium pay.¹⁷

5.4 BREAKS AND MEAL PERIODS (Non-Exempt Employees)

A separate area is provided for employee break and meal periods. You receive a paid 15-minute break for each four-hour period you work. Breaks are to be taken as close to the middle of each four-hour work period as possible.

Costco will provide you with an unpaid, uninterrupted meal period of at least 30 minutes if you are working more than five hours in a work day. You MUST begin any such meal period provided, no later than the end of the fifth hour of work. Because certain state laws may differ somewhat from our policy, please see your Manager or the Intranet for detailed information regarding your own location.

A. Home and Regional Offices

In the Home and Regional Offices, meal periods of 30 minutes or one hour may be assigned.

B. Employee Use of Breaks/M meal Periods

Employees are not allowed to combine their break(s) or meal periods for any reason, including to leave work early. Each break or meal period that is due must be taken individually and at the appropriate time.

5.5 SUPERVISOR PAY**A. Supervisor:**

- Is classified as Service Clerk.
- Is paid at the top step on the Service Clerk scale, plus \$1.00 premium.

¹⁵ Except where otherwise provided by law. For example, in California, all non-exempt employees will be paid overtime for all hours worked on the seventh consecutive day of work in a work week.

¹⁶ Except where otherwise provided by law. For example, in California, non-exempt Pharmacists will be paid overtime for all hours worked in excess of eight hours in a work day, unless an alternative work week schedule has been adopted, and for all hours worked on the seventh consecutive day worked in a work week. Non-exempt Pharmacists in Alaska and Colorado will be paid daily overtime as provided by law.

¹⁷ Except where otherwise provided by law. For example, in Massachusetts, non-exempt Pharmacists will be paid Sunday premium pay.

**Employee Agreement****5.6 LIMITED PART-TIME PHARMACISTS**

- Are non-exempt Pharmacists who work infrequently or on call.
- Do not qualify for benefits.
- Earn pro-rated vacation, sick/personal days, holiday, and jury duty pay based on number of hours worked in relation to full-time (40 hours per week).
- Are not eligible for Sunday premium pay.¹⁸
- Are eligible for overtime pay only if they work in excess of 40 hours per week.¹⁹

5.7 ACCUMULATION OF GOAL HOURS

For purposes of accumulating hours towards raises, jury duty pay, bereavement leave pay, sick/personal days, vacation pay, and overtime hours are included. Full-time employees who work on Sunday will not receive an accelerated rate towards their goal hours. Hours worked on Sunday are counted as regular hours worked.²⁰

Example:

- A. You work 78 regular hours and 8 overtime hours. You accumulate 86 hours for the 2-week pay period.
- B. You work 60 regular hours and 6 hours on Sunday. You accumulate 66 hours for the 2-week pay period.

5.8 INTERCHANGE OF DUTIES

We reserve the right to schedule you in different classifications as business needs dictate. If you are assigned to duties in a higher classification for more than 15 consecutive minutes, you are paid at the higher rate. Your rate of pay in the higher classification is the next highest rate of pay that would grant you an increase.

If required to work in a lower classification, you are paid at your normal rate of pay.

¹⁸ Except where otherwise provided by law. For example, in Massachusetts, non-exempt Pharmacists will be paid Sunday premium pay.

¹⁹ Except where otherwise provided by law.

²⁰ Except where otherwise provided by law.

**Employee Agreement**

"WHAT ELSE DOES THE COMPANY OFFER ME?"
6.0—BENEFITS

6.1 BENEFIT OPTIONS

You and your family's health and welfare are a primary concern to Costco, and we offer one of the most competitive benefit packages in the industry and provide our employees with flexibility to choose from an array of programs to suit their individual and family needs. Spouses, children, and domestic partners are also eligible for coverage. (See the separate Health Care Summary Plan Description for more detailed information.) Programs include:

- Health Care
- Pharmacy Program
- Dental Care
- Vision Program
- Health Care Reimbursement Account
- Dependent Care Reimbursement Account
- Voluntary Short-Term Disability
- Long-Term Disability
- Long-Term Care Insurance
- Life Insurance and AD&D Insurance
- Care Network
- Employee Stock Purchase Plan
- 401(k) Plan

6.2 HOLIDAYS

1. New Year's Day
2. Martin Luther King, Jr's Birthday
3. Easter
4. Memorial Day
5. Independence Day
6. Labor Day
7. Thanksgiving Day
8. Christmas Day



Employee Agreement

A. Holiday Eligibility (Hourly Non-Exempt Employees)

1. Probationary Employees – not eligible for holiday pay.
2. Seasonal Employees and Temporary Employees – not eligible for holiday pay, vacation pay or paid sick/personal days.
3. Leave of Absence – employees on a leave of absence are not eligible for holiday pay unless the holiday falls during a time when using vacation or paid sick/personal days.

B. Holiday Pay (Hourly Non-Exempt Employees)²¹

All eligible employees are paid straight time for holiday pay. When the holiday falls on a Sunday, holiday pay is paid at your normal rate of pay. You will be paid for the holiday on the actual holiday.

1. Eligibility

To be eligible for pay on closed-building holidays, you must report to work and work 50% or more of your last scheduled work day preceding the holiday and your first scheduled work day following the holiday. If you obtain prior permission for the day off, if you are on vacation, or if you are absent due to illness/injury and provide certification from a health care provider stating the specific date(s) that you needed to be absent before and after the holiday, then you will remain eligible for holiday pay.

2. When You Work On a Holiday

You are paid time-and-one-half for each hour worked. This does not apply to Martin Luther King, Jr's Birthday.

3. Holiday Work Week

For full-time employees the holiday work week consists of the holiday itself and four regularly scheduled eight hour days or three regularly scheduled eight hour days and six hours on Sunday. Anything over 40 hours during the holiday work week is paid at the rate of time-and-one-half your rate of pay. If the combination of holiday pay and any hours worked during the holiday work week exceed 40 hours, any additional time is paid at the rate of time-and-one-half your rate of pay.

4. Calculating Hours for Paid Holidays

Holiday pay is pro-rated based on a four week average of all hours paid (up to a maximum of 40 hours per work week). This proration is calculated one week before the posting of the holiday schedule. If you were on or returned from an approved leave of absence, your pay is pro-rated based on all hours paid (up to a maximum of 40 hours per work week) during the four weeks prior to your leave of absence.

²¹ Massachusetts employees who work on Columbus Day or Veterans Day are paid at the rate of time-and-one-half for all hours worked.



Employee Agreement

C. Floating Holidays and Martin Luther King, Jr's Birthday

1. Floating Holidays (Salaried Employees)

After one year of continuous employment, salaried employees earn three floating holidays each year. You may take your floating holidays any time during the anniversary year that is agreeable to you and your Manager. Floating holidays must be used within the anniversary year they are earned and will not be carried over to the next anniversary year.²² Upon termination of employment, all available floating holidays will be paid.²³

2. Martin Luther King, Jr's Birthday

You will be scheduled on a day mutually agreed upon by you and your Supervisor any time from two weeks before to four weeks after the actual date of the holiday. Pay is pro-rated based on a four week average of all hours paid (up to a maximum of 40 hours per work week). This proration is calculated one week before the posting of the schedule that includes the first available day the holiday could be scheduled. If you were on or returned from an approved leave of absence, your pay is pro-rated based on all hours paid (up to a maximum of 40 hours per work week) during the four weeks prior to your leave of absence.

3. Scheduling

If you wish, we will try to schedule floating holidays and Martin Luther King, Jr's Birthday so as to give you a long weekend or longer vacation, provided you request the holiday at least two weeks in advance, in writing, on the form we provide. Where more than one employee requests the same time off, consideration will be given to the employee whose request was received first. If received at the same time, then the employee with the longest length of continuous employment will be given first consideration.

We will respond promptly to all such requests, and we will try to honor them whenever practical. If we have to deny your first choice, we will try to honor your second choice.

²² Except where otherwise provided by law.

²³ Except where otherwise provided by law.

**Employee Agreement****6.3 VACATIONS**

If you are continuously employed for 12 months preceding your anniversary, and you have been paid for 2,000 hours* or more, you will receive an annual vacation as follows:

Continuously Employed	Vacation	Weeks of Vacation
One Year	up to 40 hours	1 week
Two years but less than five	up to 80 hours	2 weeks
Five years but less than ten	up to 120 hours	3 weeks
Ten years but less than fifteen	up to 160 hours	4 weeks
Fifteen years or more	up to 200 hours	5 weeks

*Full-time employees will receive an accelerated accrual for all hours worked on Sunday.

If you were paid for less than 2,000 hours, your annual vacation is pro-rated accordingly. Your maximum number of days off is only reduced when you have been on a leave of absence. (As explained in Section 7.1, you will not accrue vacation during any leave of absence other than during leave periods when you are using vacation, paid sick/personal days, or floating holidays.)

A. Scheduling of Vacation

A time-off request form is available in January to request the vacation time that you would like to take in week-long increments for the remainder of the calendar year.

You may request your vacation time in smaller increments during the year, but the decision to grant your request will be based on scheduling requirements. Please remember that, in the warehouses, no vacations will be scheduled between the week of Thanksgiving through December 24.²⁴

Requests that are received in the month of January will be responded to by the end of February. These requests will be granted based on length of continuous employment.

Requests received after January will be responded to within one week. When more than one employee requests the same time off, consideration will be given to the employee whose request was received first. If more than one request is received at the same time, the employee with the longest length of continuous employment is given first consideration.

Every effort will be made to accommodate last-minute requests for, or changes to, vacation time.

Because your well-being is important to us, we want you to use your vacation. To ensure a balance between work and personal time, management may schedule your vacation for you if a time-off request has not been received within 90 days of your next anniversary.

²⁴ Generally, no vacations are scheduled during the Seasonal periods for any of the ancillary businesses as listed in Section 3.1 G. The seasonal vacation black-out period for the Home and Regional Offices will be distributed annually.

**Employee Agreement****B. Vacation Payment Upon Termination of Employment**

If eligible for vacation pay, you will receive available and accrued vacation pay upon termination of employment. No vacation will be paid out for any employee who has not completed one year of continuous employment.²⁵

C. Vacation Eligibility

You are eligible for and may request vacation after completion of one year of employment.²⁶ No vacation is earned during the first year of employment.²⁷ Thereafter, paid vacation is earned annually and credited to your paid vacation account each subsequent anniversary.

D. Vacation Roll-Over

Because we want you to take your vacation time, we will give no pay in lieu of vacation. You may roll over up to 40 hours of unused vacation to the following year. Rolled-over vacation time cannot be carried over from year to year. It is Costco's policy that you must take your vacation during the 12 months following the anniversary year in which the vacation was earned.²⁸

E. Employees Not Eligible For Vacation

Seasonal and Temporary employees are not eligible for vacation pay.

**6.4 PAID SICK/PERSONAL DAYS
(Hourly Non-Exempt Employees)**

If you have been continuously employed for a period of at least one year and have been paid the minimum number of hours listed below, you will be entitled to paid sick/personal days as indicated.

Minimum Hours Paid in Anniversary Year	Paid Sick/Personal Days
2,000 hours*	up to 72 hours (9 days)

*Full-time employees will receive an accelerated accrual for all hours worked on Sunday.

If you do not reach the minimum of paid hours listed above, your paid sick/personal time will be pro-rated accordingly.

A. Employees Who Do Not Earn Paid Sick/Personal Days

Seasonal and Temporary employees do not earn paid sick/personal days.

²⁵ Except where otherwise provided by law.

²⁶ Except where otherwise provided by law.

²⁷ During the first year of employment, California employees begin to earn vacation after the first six months.

²⁸ Except where otherwise provided by law.

**Employee Agreement****B. Use of Paid Sick/Personal Days**

Paid sick/personal days may be used for personal illness or injury, family illness, or time lost due to a workers' compensation injury. Paid sick/personal days may also be scheduled as needed for time away from work. Scheduled sick/personal days may be taken at any time that is mutually agreeable between you and your Supervisor. You should request sick/personal days two (2) weeks in advance, in writing on a form provided by the Company. If you fail to report to work on a scheduled work day, it will be counted as an instance of absence, even if you are using sick/personal days.²⁹

Paid sick/personal days also may be used in the event of time missed due to closure of business as noted in Section 5.1 G.

C. Payoff

No paid sick/personal days will be earned until completion of one year of continuous employment. Paid sick/personal days are earned annually and credited to your account on each subsequent anniversary.

On your anniversary date, you will be paid your total unused paid sick/personal days account balance.³⁰ Those paid hours are not included for purposes of accumulating or accruing hours towards goal hours, vacation, holidays, sick/personal days, or Extra Check payments.

D. Paid Sick/Personal Days Upon Promotion

Hourly non-exempt employees promoted to a salaried position will receive a payoff for all available and accrued paid sick/personal days.

E. Paid Sick/Personal Days Upon Demotion

Salaried employees who go to an hourly non-exempt position, who have been continuously employed with the Company for one year, and who have been in a salaried position for one year or more, will immediately become eligible for pro-rated paid sick/personal days at a rate of four hours per month for the period between the demotion and their next anniversary date. All available floating holidays will be immediately available as paid sick/personal days.

F. Paid Sick/Personal Days Upon Termination

Any available and accrued paid sick/personal days will be paid upon termination of employment. Paid sick/personal days are not earned until the employee has been continuously employed for one year.³¹ No paid sick/personal days will be paid to any employee who has not completed one continuous year of employment.³²

²⁹ Except where otherwise provided by law.

³⁰ Except where otherwise provided by law.

³¹ Except where otherwise provided by law.

³² Except where otherwise provided by law.

**Employee Agreement****G. Notification of Absence**

If you are unable to report for work, you must call in and speak directly with management at your location one hour before the start of the work shift (unless you are working the first shift of the day, in which case you must notify management at the start of the shift).

If you become ill while at work and need to leave early, you must notify your Supervisor or Manager before leaving. If you have worked less than 50% of your shift, it will count as an absence. If you have worked 50% of your shift or more, it will count as 1/2 of an absence. Consecutive absences are considered continuous unless broken by any period of work. You will be paid regular time for hours worked and, if available, paid sick/personal time for hours missed. Legally protected absences will not be used as a basis for discipline; however, if you provide false or misleading information in connection with such an absence, including the reason for the absence, you will be subject to discipline, up to and including termination.

H. Release to Return to Work

If your absence from work was due to injury, serious illness, or illness of five or more days duration, you must present a release from your health care provider before returning to work. In the event your health care provider places limitations on your ability to perform your job duties, we will make a reasonable effort to accommodate those restrictions.

6.5 MEMBERSHIP

You are entitled to a Business Membership at no charge, which includes a spouse or domestic partner card. Once you pass your 90-day Probationary period, you and your spouse or domestic partner are upgraded to an Executive Membership and also are allowed two additional non-Executive membership cards for which you are responsible. These may be issued to individuals of your choice, provided they are at least 18 years of age. This free membership entitles you and the individuals of your choice to shop at Costco and purchase at posted prices.

Employee Executive Memberships are limited to the employee and the employee's spouse or domestic partner. Add-on cardholders wanting an Executive Membership must convert to their own membership and pay the Executive fee.

A. Lifetime Executive Membership

You receive a lifetime Executive Membership card if, when you leave the Company, you are at least 55 years of age and have a minimum of 15 years of service with Costco or have at least 25 years of service with Costco. Employees who are terminated for cause are ineligible for the lifetime Executive Membership.

COSTCO 000022

CONFIDENTIAL

**Employee Agreement****6.6 SUNSHINE BROOKS SCHOLARSHIP PROGRAM**

Sunshine Brooks founded the Sunshine Brooks Foundation in 1985 to award scholarships to employees of her favorite company. The Foundation offers college scholarships for tuition and fees, up to \$1,500 per year. There is no automatic renewal, and an applicant may only receive a total of two awards.

Applicants must be enrolled in an academic program leading to an undergraduate or graduate degree in an accredited college or university. Scholarships are awarded to Costco employees residing in the USA or their children. Spouses of employees are not eligible unless they also work for Costco.

Please see your Location Manager for application information or log onto www.sunshinebrooks.com.

6.7 THE CARE NETWORK

You and your immediate family members may contact the Care (Confidential Assistance and Resources for Everyone) Network at no cost to speak with a trained counselor who can provide guidance, information and/or referrals to local service providers. Care counselors can direct you to community resources for elder and child care needs, provide educational materials, and offer follow-up to you and your loved ones. The Care Network can help you address difficulties related to emotional concerns, relationships, substance abuse, and legal and financial concerns, while helping you to develop an action plan. You can call the Care Network, a confidential service, 24 hours a day, seven days a week. See the poster in your breakroom for contact information.

**Employee Agreement**
**"WHAT IF I NEED TIME OFF?"
7.0—FAMILY AND MEDICAL
LEAVES OF ABSENCE (LOA)**

Costco provides two types of family and medical leaves of absence (Family/Medical Leave) for employees:

- Costco's Personal Medical Leave
- FMLA Leave (Family and Medical Leave Act)

You will be required to submit appropriate paperwork to have your leave approved. LOA paperwork is available at your work location or on the Intranet.

All applicable leaves, including FMLA Leaves, state law leaves, and Costco Personal Medical Leaves, including leave for pregnancy or a work-related injury or illness, will run concurrently to the extent permitted by applicable law. If you are paid available vacation, sick/personal days, or floating holidays, the time will also be counted against your available leave under the FMLA, state leave laws, or Company policy.

Subject to applicable law, your employment may be terminated if you fail to return to work on or before the expiration of your leave. **If you provide false or misleading information in connection with your leave of absence, including the reason for an absence, then you will be subject to discipline, up to and including termination.**

A. Costco's Personal Medical Leave

All employees are eligible for Costco's Personal Medical Leave beginning the first day of employment. If you miss five or more consecutive days of work due to your own medical condition, including pregnancy or a work-related injury or illness, then you should complete and have approved a Request for Leave of Absence, as detailed in Section 7.1.A. The maximum time allowed for an approved medical LOA for your own medical condition is twelve months, except as required by law. A health care provider must certify the length of your Personal Medical Leave of Absence. Under certain circumstances, the number of Costco Personal Medical Leaves that are approved within a twelve-month period may be limited (other than leaves protected by law).

1. Medical, Pregnancy, or Workers' Compensation Leave

- You are eligible at any time to apply for a leave of absence.
- A leave will be granted when you are unable to perform the essential functions of your position due to a personal medical condition, including pregnancy or a work-related injury or illness, as certified by a health care provider.

COSTCO 000023

CONFIDENTIAL

7.0

**Employee Agreement**

- In some situations, it may be appropriate to provide you with work in lieu of granting a leave.
- If you are taking a leave for the birth of a child and you are no longer certified disabled by a health care provider, you will be eligible to take any additional FMLA/state leave to which you are entitled. Once the FMLA/state leave has been exhausted, you must return to work.

B. FMLA Leave (Family and Medical Leave Act)³³

To be eligible for up to 12 work weeks of FMLA Leave during a 12-month period, you must have been employed by Costco for at least 12 months, and you must have worked at least 1,250 hours (approximately 25 hours per week) during the 12 months immediately prior to the date the leave is to begin. For FMLA Leaves (other than to care for an Injured Servicemember) the 12-month period is measured backward from the date you take any FMLA Leave.

For Injured Servicemember Care FMLA Leave, if you meet the eligibility requirements, you are eligible for up to 26 weeks of leave, as described below.

Some states have enacted their own leave laws. If your state law is more generous than the FMLA, you will receive the benefits of the state law. If you want to request an FMLA Leave of any duration, you should complete and have approved a Request for Leave of Absence, as detailed in Section 7.1.A.

If eligible, you will be granted FMLA Leave for one or more of the following reasons:

- **Birth/Placement.** For the birth of your child and to care for the child in the first 12 months after birth or for a child's placement with you for adoption or foster care, within the first 12 months of placement,
- **Family Care.** To care for your spouse, child, or parent who has a serious health condition,
- **Employee Serious Health Condition.** Because of your own serious health condition, when you are unable to perform one or more of the essential job functions of your position,
- **Qualifying Exigency.** Because of a qualifying exigency as defined in the FMLA final regulations, arising out of the fact that your parent, child, or spouse is on covered active military duty or has been notified of an impending call or order to covered active duty in the Armed Forces in a foreign country. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, attending post-deployment reintegration briefings, and other activities associated with the family member's call or order to service.

³³ Some state family and medical leave laws provide additional or different benefits from the FMLA as described in this section. Please see the Intranet for detailed information. Additionally, for some states, an Addendum will be provided to you.

**Employee Agreement**

- **Injured Servicemember Care.** To care for your parent, child, spouse, or individual for whom you are the next of kin, who is either (1) a current member of the Armed Forces (including the National Guard or Reserves) and who is undergoing medical treatment, recuperation, or therapy, is in outpatient status, or is otherwise on the temporary disability retired list, for a serious illness or injury incurred in the line of active duty (or aggravated by service in the line of active duty) that may render the military member medically unfit to perform the duties of the member's office, grade, rank or rating; or (2) a veteran who was a member of the Armed Forces (including the National Guard or Reserves) at any time during the five years preceding the date the veteran undergoes treatment, recuperation, or therapy, and who is undergoing medical treatment, recuperation, or therapy for a serious illness or injury incurred in the line of active duty (or aggravated by service in the line of active duty). To be considered "next of kin," you must be the nearest blood relative of the Injured Servicemember (other than the individual's parent, spouse or child). Such leave may be taken for up to 26 weeks in a single 12-month period. This single 12-month period begins on the first day you take leave for this purpose and ends 12 months after that date.

FMLA Leave for an Employee Serious Health Condition, Family Care, Qualifying Exigency, and Injured Servicemember Care may be taken intermittently or on a reduced schedule basis (e.g., by working fewer days in a week or by working fewer hours in a day) only if medically necessary.

FMLA Leaves for Birth/Placement may not be taken intermittently or on a reduced schedule basis. If you are certified to take FMLA Leave on an intermittent or reduced leave schedule basis, you must advise management at the time of the absence if the absence is for your certified FMLA Leave reason.

If your spouse is also employed by Costco, the two of you will be entitled to a combined total of 12 weeks of FMLA Leave for Birth/Placement. Spouses both employed by Costco also may be required to share FMLA Leave for Injured Servicemember Care.

COSTCO 000024

CONFIDENTIAL

**Employee Agreement**

Under the FMLA, a "serious health condition" is an illness, injury, impairment, or health condition that involves any one or more of the following:

- Inpatient care (i.e., an overnight stay) in a hospital, hospice or residential care facility, including any period of incapacity or any treatment in connection with inpatient care;
- Any period of incapacity of more than three consecutive full calendar days that also involves:
 - Treatment twice by a health care provider within 30 days of the first day of incapacity (unless extenuating circumstances exist); or
 - Treatment once by a health care provider, which results in a regimen of continuing treatment under the supervision of a health care provider.
 - The first (or only) treatment described above must be within 7 days of the first day of incapacity;
- Any period of incapacity or treatment due to a chronic health condition requiring periodic treatment;
- Any period of incapacity, which is permanent or long-term for a condition for which treatment may not be effective, and the employee or family member is under continuing supervision of a health care provider;
- Any period of absence to receive multiple treatments for restorative surgery following an accident or injury, or for a condition that likely would result in incapacity of more than three consecutive full calendar days if left untreated; or
- Incapacity due to pregnancy or for prenatal care.

C. Maximum Allowed Length for FMLA Leave

The maximum length of FMLA Leave is 12 weeks in a 12-month period (or 26 weeks in a single 12-month period if FMLA Leave for Injured Servicemember Care is taken). If you take FMLA Leave for Injured Servicemember Care, you may not take more than a combined total of 26 weeks of FMLA Leave in a single 12-month period, including any leave taken for other FMLA-covered reasons. Under such circumstances, no more than 12 weeks of FMLA Leave in a 12-month period may be taken for reasons other than to care for an Injured Servicemember.

D. Additional Information

Please see the Department of Labor publication in the FMLA Addendum for additional information regarding the FMLA.

7.1 RULES GOVERNING ALL FAMILY/MEDICAL LEAVES**A. Requesting Family/Medical Leave of Absence**

If you miss five or more consecutive days of work or you want to request Family/Medical Leave of any duration, you should complete and have approved a Request for Leave of Absence. You will be required to submit appropriate paperwork to have your leave approved. A health care provider must certify your need for leave, including the duration of your leave, if it is for your own medical condition or is an FMLA Leave for Family Care or Injured Servicemember Care. Request for LOA forms, certification forms, and other related forms are available at your work location or on the Intranet.

**Employee Agreement**

If you know in advance that you are going to need to go out on a leave (maternity, scheduled operation, etc.), you must give your Manager at least 30 days' notice, or as much notice as practicable. For unforeseeable leaves and FMLA Leaves for Qualifying Exigency, you need to notify your Manager as soon as practicable after learning of your need for leave. Failure to provide such notice may be grounds for delaying or denying the leave and may result in adverse consequences. In either case, your leave date will commence on your first scheduled day of work missed. If your leave is for planned medical treatment, you must attempt to schedule the treatments so as to create minimum disruption at work. In addition, absent unusual circumstances, you must comply with Costco's usual call-in procedures.

B. Leave Certifications and Reporting While on Leave

You must provide medical certification to support your request for a Costco Personal Medical Leave, or FMLA Leave for an Employee Serious Health Condition or Family Care, including certification that you are needed to care for the family member and an estimate of the time needed.

If your leave request is for a Costco Personal Medical Leave or FMLA Leave for an Employee Serious Health Condition, your certification must include certain information about your condition, including, but not limited to:

- The probable duration of your serious health condition,
- The probable duration of your need for leave, and
- That you are unable to work at all due to your condition, or you are unable to perform one or more of the essential functions of your job due to your condition.

If you are requesting FMLA Leave for Qualifying Exigency or Injured Servicemember Care, you must provide certification of your need for leave. Certification forms are available from your location or on the Intranet.

In certain situations, you may be required to provide your Manager with periodic reports every 30 days of your status and your intent to return to work. If circumstances of your leave change enabling you to return to work earlier than the date originally indicated, you must notify your Manager at least two business days prior to the date you intend to return, if possible.

Subject to applicable law, Costco may require you to provide periodic medical information to support your leave request and may ask for clarification and authentication of any medical certification submitted. Costco may, at its own expense, require a second or third medical opinion. Costco also may require a medical examination by a health care provider of its choice when appropriate. This information may result in a change to your leave status.

Failure to provide Costco with the requested Certification within the appropriate time frame may result in delay or denial of leave and is cause for termination of employment if the leave has commenced, as described in Section 11.3, #7.

**Employee Agreement****C. Accepting Employment While on Leave**

If you accept employment elsewhere while on LOA, your employment may be terminated, where consistent with applicable law.

D. Hours Accumulation

Other than during leave periods when you are using vacation, paid sick/personal days, or floating holidays, you will not accumulate hours during any leave of absence (subject to USERRA; see Section 8.4 and the Intranet) for the purpose of:

- Goal Raises
- Extra Check Payment
- Vacation
- Sick/Personal Days
- Holiday Pay
- Floating Holidays

E. Holiday Pay

You do not qualify for holiday pay if you are on any LOA unless the holiday falls during a time you are using vacation, paid sick/personal days or floating holidays.

F. Return from Medical Leave

You must provide a release from a health care provider prior to returning to work from medical leave. The release must state that you are able to perform the essential functions of the position to which you are returning, or describe any work restrictions, including their expected duration. If your health care provider certifies that you have work restrictions, Costco will attempt to reasonably accommodate such restrictions.

Subject to applicable law and Costco's business needs, you will generally return to the same, equivalent, or other suitable vacant position. For any LOA, you have no greater right of reinstatement or to other terms, benefits and conditions of employment than you would have if you had not taken a leave.

Subject to applicable law, if you return from LOA and subsequently go back out on a LOA within 90 calendar days or less for any illness or injury, your original LOA date will apply for purposes of determining your available leave and benefits.

G. Transitional Return to Work

If you return to work in a transitional duty status and are temporarily assigned to a position with a lower pay classification, you will continue to receive your normal rate of pay while on transitional duty for a maximum of six weeks, at which time your status will be re-evaluated. If you are reclassified on a temporary basis for longer than six weeks, you will be paid at the rate of pay for the position you are performing. Your benefits may be affected upon your transitional return to work. Please see your Health Care Summary Plan Description for details.

**Employee Agreement****H. Benefit Coverage While on LOA**

If you were eligible at the commencement of your leave or became eligible during your leave, your Group Benefit health and welfare coverage will remain in effect through the term of your approved leave according to the following schedule and subject to premium payments and applicable laws. The maximum period of time will be counted from the day your LOA commences. In addition, if you are on an approved Costco Personal Medical Leave that extends past the maximum period of benefits and you elect to continue your COBRA health care coverage at your own expense, Costco will assist you with your monthly COBRA payments to continue your benefits according to the following schedule for a maximum of six months:

Length of Continuous Employment	Maximum Period Benefits Continue	Company COBRA Premium Subsidy
Less than 90 days	30 days	No premium subsidy
Less than 12 months	90 days	No premium subsidy
12 months, but less than 5 years	180 days	25% premium subsidy
5 years or more	180 days	50% premium subsidy

You are responsible for your regular benefit-related paycheck deductions while you are out on a LOA (as described in the Health Care Summary Plan Description). If you do not pay your share of the premiums in a timely manner during your leave, your coverage may be canceled. If your coverage is canceled because of non-payment of these deductions, you may continue medical/dental benefits under the provisions of COBRA and, if eligible, you may re-enroll in your group benefit plans when you return to work. (If your benefits are canceled due to non-payment, you will not be eligible for the Company COBRA subsidy.) If you do not return to work at the expiration of your FMLA Leave, you may be charged retroactively for the full premium cost of the health benefits coverage provided by the Company during your unpaid FMLA Leave, unless you cannot return to work because of a serious health condition (or serious illness or injury of a covered servicemember) or other circumstances beyond your control.



Employee Agreement

I. Pay While on Leave

In general, LOA is unpaid, except as described below:

- *Family Leave* – Depending on your state, you may qualify for paid family leave benefits if your leave is related to a family member's medical condition or to bond with a new child following birth, adoption, or foster care placement.³⁴
- *Workers' Compensation* – If you leave work and receive medical treatment on the date of your workers' compensation injury, you will receive your normal pay for the remainder of your scheduled shift. This time will not be counted against your paid sick/personal days.
- **Hourly Non-Exempt Employees:**
 - *Costco's Personal Medical Leave* – You may qualify for disability benefits if your leave is related to your own medical condition. For non-work related medical conditions, you must be enrolled in and apply for benefits under Costco's voluntary short-term disability program. If you work in California, Hawaii, New York, or New Jersey, you should apply for state disability benefits.
- **Salaried Employees:**
 - *Costco's Personal Medical Leave* – You may qualify for salary continuation benefits if your leave is related to your own medical condition. Costco will pay the first week of your salary continuation.³⁵ If you are going to be out longer than one week or are working a reduced work schedule, then, to receive salary continuation benefits you must apply under Costco's salary continuation program. In no event will the benefits paid under this program exceed a total of 26 weeks (13 weeks at 100% pre-disability earnings and the next 13 weeks at 60% of pre-disability earnings) of your pay or 1,040 hours (520 hours at 100% and the next 520 hours at 60%). For non-work related medical leaves, if you work in California, Hawaii, New York, or New Jersey you should apply for state disability benefits or paid leave programs. Your salary continuation benefits will be reduced by the amount of income continuation benefits you would be eligible to receive under any state disability, workers' compensation, or paid leave programs.

³⁴ Salaried employees who are eligible for paid sick leave must use available sick leave, floating holidays, or vacation to be paid during the first week of leave.

³⁵ Except for salaried employees who are eligible for paid sick leave.



Employee Agreement

- *Bonding Leave* – You will be eligible for up to five weeks of pay during a leave of absence for the birth or adoption of a child.³⁶ To receive the full five weeks of paid bonding leave, the leave must begin within one week of the birth or adoption and must be taken in one increment. Salaried birth mothers are eligible to receive up to 13 weeks of salary continuation in connection with a leave for pregnancy-related disability and bonding with a new baby. If you reside in a state with a paid family leave program, you will need to apply for the paid leave benefits. Your bonding benefits will be reduced by the amount of income continuation benefits you would be eligible to receive under any paid family leave programs.
- All benefit-eligible employees are entitled to apply for benefits under the Company sponsored long-term disability insurance plan. Long-term disability may provide additional monthly income commencing after the 180th day of leave.

At your option, you may use any available vacation, paid sick/personal days, or floating holidays during an otherwise unpaid Costco Personal Medical Leave, FMLA Leave, or other state leave. Any paid time used will be counted against your available leave under the FMLA, state leave laws and Company policy.

³⁶ Salaried employees who are eligible for paid sick leave must use available sick leave, floating holidays, or vacation to be paid during the first week of leave.

**Employee Agreement****8.0 – NON-MEDICAL LEAVES**

Some states provide additional protected leaves of absence. See your Manager or the Intranet for detailed information. **If you provide false or misleading information in connection with a leave of absence, including the reason for an absence, then you will be subject to discipline, up to and including termination.**

8.1 PERSONAL LEAVE

As a general rule, we do not authorize unpaid personal time off from work. However, in extraordinary circumstances, with prior approval of the Location Manager, up to two weeks may be approved. If additional time is needed for any reason, prior approval from a Senior Vice President is required.

You will be required to exhaust your available vacation and paid sick/personal days prior to requesting a Personal Leave. You are responsible for paying your portion of benefit premiums during any Personal Leave. If your Personal Leave exceeds 30 days, your benefits will cease.

8.2 WINTER LEAVE (Hourly Non-Exempt Employees)

Costco may grant hourly non-exempt employees an unpaid leave of absence in the months of January, February and March for up to four weeks. Employees must have a minimum of one year of service to be eligible to apply for this leave, and requests will be granted depending on the needs of the business. In order to ensure that all employees have equal opportunity to use this leave, the leave may be granted on a rotating basis from year to year. The following guidelines apply:

- Applications for a Winter Leave should be submitted in writing no later than four weeks in advance.
- Vacation scheduling will take precedence over Winter Leaves.
- Winter Leaves may be taken as single full days or in week-long increments.
- All Company benefits will be maintained during your approved leave.

8.3 BEREAVEMENT LEAVE**A. Eligibility**

After completing your 90-day Probationary period, you are eligible for paid bereavement leave unless you are a Temporary or Seasonal employee.

**Employee Agreement****B. Paid Bereavement Leave**

If there is a death in your immediate family, you receive up to three days paid time off for the bereavement. Immediate family is generally defined as spouse, domestic partner, mother, father, sister, brother, child, grandparents, grandchildren, step-parent, stepchild, mother-in-law, father-in-law, sister-in-law, brother-in-law, and grandparents of spouse. You will be provided the same time off for your domestic partner's immediate family. See your Location Manager regarding relationships other than those defined above.

You are paid at your normal rate for the hours scheduled for each work day lost due to bereavement leave. In addition to the above, an employee may be allowed extended time off, without pay, in extenuating circumstances.

8.4 MILITARY LEAVE**A. Eligibility**

Whether you leave Costco to voluntarily join a uniformed service, are drafted, or are a reservist or national guard member who is called to active duty or training, you are protected by the Uniformed Services Employment and Reemployment Rights Act (1994), as amended – also called USERRA. Please see your Manager or the Intranet for detailed information regarding military service.

Costco's intent is to comply in full with USERRA and any applicable state or local laws regarding military leave. To the extent any applicable law conflicts with the provisions of our policy, that law will control.

B. Short Term Reserve/National Guard Leave

As a member of the National Guard or a Military Reserve Unit, you may request leave for weekend drills, summer camp, special schools, or other short-term assignments, such as military fitness examinations or funeral honors duty.

In addition to the policies outlined on the Intranet, the following also applies to reserve leaves. If salaried, you are eligible to receive salary continuation benefits for a maximum of two weeks reserve leave in any 12-month period (or as otherwise required by law). Upon receipt of documentation of military pay for reserve leave, Costco will pay the difference between your military pay and regular salary (not to exceed 100% of your salary). For hourly non-exempt employees, such leave is unpaid.

COSTCO 000028

CONFIDENTIAL

**Employee Agreement****8.5 JURY DUTY LEAVE****A. Eligibility**

All employees are eligible for leave when required to serve on a jury. The leave is unpaid for hourly non-exempt Probationary, Temporary or Seasonal employees, unless otherwise required by state law.

B. Jury Pay

Employees eligible for paid jury duty leave will be paid their normal rate, as noted below:

1. Full-time Employees

Are paid for actual hours served in jury duty service to a maximum of 40 hours per week.

2. Part-time Employees

Are paid for actual hours served in jury duty service to a maximum of 30 hours per week.

3. Salaried Employees

Receive salary continuation benefits for the length of time in jury duty service.

4. Limited Part-time Employees

(including Limited Part-time Pharmacists)

Are paid an average of the number of hours worked in the previous two pay periods (four weeks).

C. Overtime (Non-Exempt Employees)

You may be asked to work additional hours during the week(s) you are in jury duty service. All hours paid for jury duty service count toward hours worked. If your hours served on jury duty, plus actual hours worked, total over eight hours in any work day or over 40 hours in any work week, then you are entitled to overtime pay.

D. Return to Work Requirement

If you are excused from jury duty service on a scheduled work day, you must immediately, upon release, report for work to complete the remaining hours of your scheduled work shift, unless there are less than two hours left in your scheduled work day.³⁷ Salaried employees are paid for the entire day, regardless of the number of hours served in jury duty.

E. Certification and Falsification

We require you to have a jury duty form completed by an officer of the court, indicating the report time and time released from jury duty service.

You will present a copy of this form to your Supervisor. Falsification of jury duty claims is cause for disciplinary action, up to and including termination of employment.

³⁷ Except where otherwise provided by law. For example, in Virginia, employees who serve on a jury are not required to work on the day of service.

Employee Agreement

"WHAT ARE THE CAREER OPPORTUNITIES?"
9.0—HOURLY NON-EXEMPT CLASSIFICATIONS

9.1 HOURLY NON-EXEMPT CLASSIFICATIONS
HOME OFFICE AND REGIONAL OFFICES

Service Assistants

2% Rebate Agent

Mail Opener

Maintenance/Janitorial Assistant

Member Service Agent

Membership Maintenance

Merchandise Accounting Mail Associate

Optical Imaging Scanning Associate

Service Clerks

7780 Processor

Accounting Clerk

Accounts Receivable Clerk

A/P Expense Clerk

A/P Freight Clerk

A/P Merchandise Clerk

A/P Support Clerk

Business Delivery Agent

Call Center Email Agent

Card Room Processor

Computer Operator

Credit Card Clerk

Credit Card Service Agent

Dollar Bay Clerk

E-commerce Agent

Executive Service Agent

Inventory Control Specialist

Mail Room Clerk

Merchandise Accounting
Control Clerk

Payroll Clerk

Receptionist

Sales Audit Clerk

Supervisor

Traffic Clerk

9.0—HOURLY NON-EXEMPT CLASSIFICATIONS

COSTCO 000029

CONFIDENTIAL

**Employee Agreement****9.2 HOURLY NON-EXEMPT CLASSIFICATIONS FOR COSTCO WAREHOUSES AND BUSINESS CENTERS****Service Assistants**

Bakery Wrapper
Car Wash Attendant
Cashier Assistant
Cigarette Stocker
Data Entry
Food Service Assistant
Gas Station Attendant
HAC Non-Licensed
Hearing Aid Attendant
Liquor Store Sales Assistant
Maintenance
Marker
Meat Wrapper
Member Service
Membership
Non-Licensed Optician
Order Picker/Order Taker
Pharmacy Assistant¹
Photo Lab Assistant
Pre-opening Canvasser
Print Shop Assistant
Product Demonstrator
Sales Assistant²
Sanitation Assistant
Service Deli Assistant
Stocker

¹ Non-licensed and non-Nationally Certified Pharmacy staff

² Includes Majors, Optical, and Print Shop

³ Business Delivery Truck Drivers located at Costco Business Centers and at designated warehouses receive a \$1.00/hr premium in addition to their normal rate of pay. See the Intranet for designated warehouses and detailed information.

⁴ Does not include Pharmacy, Optical, Hot Dog Stand, Photo Shop, Food Service Cashiers, Membership and Liquor Store

⁵ Stockers who stamp cigarettes

⁶ Doing skilled electrical, plumbing or carpentry in excess of 50% of their time

⁷ Based on business needs, a supervisor may be designated in the following positions: Bakery, Car Wash, Food Service (Food Court), Front End, Gas Station, Majors, Meat, Membership, Merchandise, Pharmacy Technician, Photo Lab, Print Shop, RTV, Service Deli, Tire Shop

Service Clerks

Accounts Receivable (Bus. Ctr.)
Account Representative (Bus. Ctr.)
Admin/Payroll
Baker
Business Delivery Truck Driver³
Cake Decorator
Cashier⁴
Cigarette Stocker⁵
Electric Pallet Jack Operator
Forklift Operator
Graphic Artist/Designer
HAC Licensed Hearing
Aid Dispenser-Audiologist
Hearing Aid Dispenser Apprentice
Inventory Auditor
Inventory Scan Auditor
Licensed Optician
Loss Prevention Clerk
Membership Refund Cashier
Nationally Certified Pharmacy Technician
Outside Marketer
Receiving Appointment Clerk
Receiving Clerk
Router
RTV Clerk
Sales Audit Clerk
Skilled Maintenance⁶
Supervisor⁷
Tire Installers
Vault Clerk

Note: Because management positions are typically salaried, they are not individually identified in this section - see your Location Manager for more information.

**Employee Agreement****A. Licensed Positions****1. Hearing Aid**

- Once the HAC Attendant becomes a fully licensed Hearing Aid Dispenser, they are promoted to Service Clerk and paid at the top of the Service Clerk scale.
- Once the HAC Apprentice becomes a fully licensed Hearing Aid Dispenser, they are paid at the top of the Service Clerk scale.
- All newly hired, fully licensed Hearing Aid Dispensers are paid at the top of the Service Clerk scale.
- The pay increase will take place effective the day proof of accreditation is given to the warehouse.

• Licensing Premiums

Non-exempt fully licensed Hearing Aid Dispensers and Audiologists are entitled to a licensing premium in the following states:

<u>STATE</u>	<u>LICENSING PREMIUM</u>
AK, AL, AZ, GA, IA, KS, ND, NE, OR, SC, TX, WI	\$2.00/hr in addition to regular scale
CA, CO, CT, DE, FL, HI, ID, IL, IN, KY, MD, MI, MN, MO, MT, NC, NJ, NM, NY, OH, PA, TN, VA, VT	\$3.00/hr in addition to regular scale
UT, WA	\$4.00/hr in addition to regular scale
NV	\$6.00/hr in addition to regular scale

2. Pharmacy

- All Pharmacists are required to obtain and maintain their state licenses for the states in which they work.
- All Pharmacy Technicians are required to obtain and maintain their state licenses and National Certification.
- Effective April 1, 2014, all current Pharmacy Technicians must obtain and maintain National Certification within six months, or sooner, from the date of hire, transfer, or status change.³⁸ In addition, all Pharmacy Technicians must obtain and maintain all licenses required in the states in which they work. Failure to obtain and maintain National Certification and/or state licenses is cause for removal from the department.

3. Photo Lab

- Photo Lab Supervisors and Managers are required to certify in Costco 1-Hour Photo Advanced Training and Costco 1-Hour Photo Digital Training within 90 days of hire or promotion to the position. Failure to certify within 90 days may result in disciplinary action, up to and including demotion.

³⁸ Except where otherwise provided by law.

**Employee Agreement****4. Optical****• Minimum Licensing Requirements**

- All optical employees have three years from the first day worked in the Optical department to complete their state specific requirements as detailed below. Failure to obtain and maintain ABO and NCLE certifications (non-licensed states) or state requirements (registration and licensed states) is cause for removal from the department. Employees will not be eligible to return unless they have met all licensing requirements.
- Any applicable pay increases are effective the date the warehouse is provided proof of the employee's accreditation(s).
- Optical Managers who relocate to another state on or after 3/4/13 must meet all state specific requirements for the state they are seeking employment in prior to the transfer unless transferring as an hourly employee.

A. Non-Licensed States

(AL, CO, DC, DE, IA, ID, IL, IN, KS, MD, MI, MN, MO, MT, ND, NE, NM, OR, PA, TX, UT)

All optical employees who work in non-licensed states are required to obtain and maintain their ABO and NCLE certifications.

B. Licensed States

(AK, AZ, CT, FL, GA, HI, KY, MA, NC, NJ, NV, NY, OH, SC, TN, VA, VT, WA)

- All optical employees who work in licensed states are required to obtain and maintain their state license to dispense eyeglasses and contact lenses.
- Apprentices in licensed states must obtain their ABO to receive Service Clerk pay.
- Apprentices hired on or after 3/4/13 are required to obtain and maintain their ABO and NCLE certifications within three years, at which time they will receive a \$1.00 premium. Employees enrolled in an apprenticeship in CT, AZ, and FL prior to 3/4/13 will have until the completion of their apprenticeship (not to exceed five years) to complete state and/or Costco requirements.

C. Registration States (CA, NH)

All optical employees who work in registration states are required to obtain and maintain their state specific registrations in addition to their ABO and NCLE certifications.

**Employee Agreement****• Licensing Premiums****STATE**

All states not listed below, TX*

AZ, MD, NH, TX**

AK, DC, DE, KY, PA, TN, Southern VA, VT, WA

MA

GA, NC, SC, Northern VA

FL

CT, NJ, NV*, NY

NV**

*Employees hired on or after 3/4/13

**Employees hired prior to 3/4/13

LICENSING PREMIUM

\$1.00/hr. in addition to regular scale

\$2.00/hr. in addition to regular scale

\$3.00/hr. in addition to regular scale

\$4.00/hr. in addition to regular scale

\$5.00/hr. in addition to regular scale

\$6.00/hr. in addition to regular scale

\$9.00/hr. in addition to regular scale

\$11.50/hr. in addition to regular scale

THESE GUIDELINES AFFECT WAREHOUSES ONLY.

9.0-HOURLY NON-EXEMPT
CLASSIFICATIONS

9.0-HOURLY NON-EXEMPT
CLASSIFICATIONS

COSTCO 000031

CONFIDENTIAL

**Employee Agreement****9.3 HOURLY NON-EXEMPT CLASSIFICATIONS
DEPOTS**

Service Assistants	Service Clerks
Maintenance	Fleet/Receiving/Shipping Clerk
Receiving Assistant	Guard Booth
	Inventory Auditor
	Payroll/Personnel Clerk
	Power Equipment Operator
	Supervisor

**9.4 HOURLY NON-EXEMPT CLASSIFICATIONS
COSTCO MEAT PLANT**

Service Assistants	Service Clerks
Box Making	Administrative
Data Entry	Forklift Operator
Janitorial	Machine Operator
Machine Operator Assistant	QA Technician
Maintenance Assistant	Shipping/Receiving
Microwave Worker	Skilled Maintenance Technician
Pack Off Worker	Supervisor
Sanitation Worker	

**9.5 HOURLY NON-EXEMPT CLASSIFICATIONS
OPTICAL LAB**

Service Assistants	Service Clerks
Bench Personnel	Admin/Payroll Clerk
Facility Assistant	Financial Analyst
Facility Maintenance	Inventory Audit Clerk
Member Service Assistant	QA Technician
Production Worker	Reject Specialist
QA Blocking Assistant	Reorder Specialist
Stockroom Assistant	Supervisor
Surface Assistant	System Coordinator
Warehouse Assistant	Technical Maintenance Clerk

**Employee Agreement****9.6 HOURLY NON-EXEMPT CLASSIFICATIONS
PACKAGING PLANTS**

Service Assistants	Service Clerks
Data Entry/IS Assistant	AP/AR Clerk
Janitorial/Clean-up Crew	Forklift Operator
Machine Operator Assistant	Inventory Audit Clerk
Maintenance Assistant	Inventory Control Specialist
Packaging Crew	IS Clerk
QA Packaging Assistant	Payroll/HR Clerk
	Machine Operator
	QA Technician
	Shipping/Receiving Clerk
	Skilled Maintenance Technician
	Supervisor

**9.7 HOURLY NON-EXEMPT CLASSIFICATIONS
COSTCO TRADING**

Service Assistants	Service Clerks
Facilities Assistant	Admin/Payroll Clerk
Production Assistant	Production Clerk
	Receiving Clerk
	Repairs Clerk
	Returns Clerk
	Security
	Supervisor
	Vault Clerk

**9.0—HOURLY NON-EXEMPT
CLASSIFICATIONS****9.0—HOURLY NON-EXEMPT
CLASSIFICATIONS**

COSTCO 000032

CONFIDENTIAL

**Employee Agreement****9.8 HOURLY NON-EXEMPT CLASSIFICATIONS
COSTCO TRAVEL**

Service Assistants
Documentation/Mail Room
Receptionist

Service Clerks
Accounting Clerk
Air Ticketing Specialist
Corporate Travel Agent
Customer Service
Database Specialist
Inventory Control Specialist
Marketing Coordinator
Product Development Coordinator
Reservations Sales Agent
Reservations Trainer
Supervisor*

* Includes Supervisors of Reservations Sales Agents, Database Specialist, Air Ticketing Specialist and Accounting Clerk

**9.9 HOURLY NON-EXEMPT CLASSIFICATIONS
AUBURN BUSINESS FACILITIES**

Service Assistants
Order Picker
Packaging Assistant
Production Assistant
Receiving Assistant
Receptionist
Shipping Assistant
Stocker

Service Clerks
Bindery Operator
Customer Service Representative
Data Entry Clerk
Discrepancy Clerk
Expense and Payables Clerk
Facilities Clerk
Forklift Operator
Inventory Audit Clerk
Machine Operator
Payroll Clerk
Pre-Press/Press Operator
Production Clerk
Purchasing Clerk
Receiving/Shipping Clerk
Sales Audit Clerk
Sales Clerk
Sign Production
Skilled Technician

9.0 - HOURLY NON-EXEMPT CLASSIFICATIONS

COSTCO 000033

10.0 - WAGES

CONFIDENTIAL

**Employee Agreement****"HOW MUCH AM I PAID?"
10.0 - WAGES****COSTCO HOURLY NON-EXEMPT WAGES****10.1 SERVICE ASSISTANTS**

- On 3/4/13, current employees at \$11.00 and \$11.25 move to \$11.50 and their goal hours are set to zero.
- New employees will receive a pro-rated Extra Check at 12,400 hours.

A. HOURLY NON-EXEMPT RATES - Hired Between 3/5/07 and 3/3/13

	03/13	03/14	03/15
First 800 Hours	\$11.50	\$11.50	\$11.50
next 1040 Hours	\$12.00	\$12.00	\$12.00
next 1040 Hours	\$12.50	\$12.50	\$12.50
next 1040 Hours	\$13.00	\$13.00	\$13.00
next 1040 Hours	\$13.75	\$13.75	\$13.75
next 1040 Hours	\$14.50	\$14.50	\$14.50
next 1040 Hours	\$15.25	\$15.25	\$15.25
next 1040 Hours	\$16.00	\$16.00	\$16.00
next 1040 Hours	\$17.00	\$17.00	\$17.00
Top Step	\$20.30	\$20.80	\$21.35

Effective the first full pay period in March of the respective year listed above.

B. HOURLY NON-EXEMPT RATES - Hired On or After 3/4/13

	03/13	03/14	03/15
First 800 Hours	\$11.50	\$11.50	\$11.50
next 800 Hours	\$11.75	\$11.75	\$11.75
next 800 Hours	\$12.00	\$12.00	\$12.00
next 800 Hours	\$12.50	\$12.50	\$12.50
next 1040 Hours	\$13.00	\$13.00	\$13.00
next 1040 Hours	\$13.50	\$13.50	\$13.50
next 1040 Hours	\$14.00	\$14.00	\$14.00
next 1040 Hours	\$15.00	\$15.00	\$15.00
next 1040 Hours	\$16.00	\$16.00	\$16.00
next 1040 Hours	\$17.00	\$17.00	\$17.00
next 880 Hours	\$19.00	\$19.00	\$19.00
Top Step	\$20.30	\$20.80	\$21.35

Effective the first full pay period in March of the respective year listed above.

**Employee Agreement****COSTCO HOURLY NON-EXEMPT WAGES****10.2 SERVICE CLERKS**

- On 3/4/13, current employees at \$11.50 and \$11.75 move to \$12.00 and their goal hours are set to zero.
- New employees will receive a pro-rated Extra Check at 12,400 hours.

A. HOURLY NON-EXEMPT RATES – Hired Between 3/5/07 and 3/3/13

	03/13	03/14	03/15
First 800 Hours	\$12.00	\$12.00	\$12.00
next 1040 Hours	\$12.50	\$12.50	\$12.50
next 1040 Hours	\$13.00	\$13.00	\$13.00
next 1040 Hours	\$14.00	\$14.00	\$14.00
next 1040 Hours	\$15.00	\$15.00	\$15.00
next 1040 Hours	\$16.00	\$16.00	\$16.00
next 1040 Hours	\$17.00	\$17.00	\$17.00
next 1040 Hours	\$18.00	\$18.00	\$18.00
next 1040 Hours	\$19.00	\$19.00	\$19.00
Top Step	\$22.00	\$22.50	\$23.05

Effective the first full pay period in March of the respective year listed above.

B. HOURLY NON-EXEMPT RATES – Hired On or After 3/4/13

	03/13	03/14	03/15
First 800 Hours	\$12.00	\$12.00	\$12.00
next 800 Hours	\$12.25	\$12.25	\$12.25
next 800 Hours	\$12.50	\$12.50	\$12.50
next 800 Hours	\$13.00	\$13.00	\$13.00
next 1040 Hours	\$13.50	\$13.50	\$13.50
next 1040 Hours	\$14.00	\$14.00	\$14.00
next 1040 Hours	\$15.00	\$15.00	\$15.00
next 1040 Hours	\$16.00	\$16.00	\$16.00
next 1040 Hours	\$17.00	\$17.00	\$17.00
next 1040 Hours	\$19.00	\$19.00	\$19.00
next 880 Hours	\$21.00	\$21.00	\$21.00
Top Step	\$22.00	\$22.50	\$23.05

Effective the first full pay period in March of the respective year listed above.

**Employee Agreement****COSTCO HOURLY NON-EXEMPT WAGES****10.3 MEAT CUTTERS**

- On 3/4/13, current employees at \$11.50 move to \$12.00 and their goal hours are set to zero.
- New employees will receive a pro-rated Extra Check at 12,400 hours.

A. HOURLY NON-EXEMPT RATES – Hired Between 3/5/07 and 3/3/13

	03/13	03/14	03/15
First 800 Hours	\$12.00	\$12.00	\$12.00
next 800 Hours	\$12.50	\$12.50	\$12.50
next 800 Hours	\$13.00	\$13.00	\$13.00
next 800 Hours	\$14.00	\$14.00	\$14.00
next 1040 Hours	\$15.00	\$15.00	\$15.00
next 1040 Hours	\$16.00	\$16.00	\$16.00
next 1040 Hours	\$17.00	\$17.00	\$17.00
next 1040 Hours	\$18.00	\$18.00	\$18.00
next 1040 Hours	\$19.00	\$19.00	\$19.00
Top Step	\$23.50	\$24.00	\$24.55

Effective the first full pay period in March of the respective year listed above.

B. HOURLY NON-EXEMPT RATES – Hired On or After 3/4/13

	03/13	03/14	03/15
First 800 Hours	\$12.00	\$12.00	\$12.00
next 800 Hours	\$12.50	\$12.50	\$12.50
next 800 Hours	\$13.00	\$13.00	\$13.00
next 800 Hours	\$14.00	\$14.00	\$14.00
next 1040 Hours	\$15.00	\$15.00	\$15.00
next 1040 Hours	\$16.00	\$16.00	\$16.00
next 1040 Hours	\$17.00	\$17.00	\$17.00
next 1240 Hours	\$18.00	\$18.00	\$18.00
next 1240 Hours	\$19.00	\$19.00	\$19.00
Top Step	\$23.50	\$24.00	\$24.55

Effective the first full pay period in March of the respective year listed above.

10.0 – WAGES**10.0 – WAGES**

COSTCO 000034

CONFIDENTIAL

**Employee Agreement****10.4 TRUCK DRIVERS – DEPOT***

- All employees will receive an Extra Check at 9,200 hours. Extra Check payments for employees hired on or after 3/4/13 will be pro-rated.

A. HOURLY NON-EXEMPT RATES

	03/13	03/14	03/15
First 1040 Hours	\$18.00	\$18.00	\$18.00
next 1040 Hours	\$18.50	\$18.50	\$18.50
next 1040 Hours	\$19.00	\$19.00	\$19.00
Top Step	\$23.50	\$24.00	\$24.55

Effective the first full pay period in March of the respective year listed above.

* Fleet Dispatchers are paid on the Truck Driver pay scale.

10.5 EXTRA CHECK PAYMENTS

Even though Costco pays a very competitive hourly rate, our long-term employees qualify for two Extra Check payments each year in recognition of the value that their experience adds to our operation.

A. ELIGIBILITY

- Salaried and off-scale non-exempt employees are not eligible for an Extra Check payment.
- To receive the next Extra Check payment, hourly non-exempt employees must:
 - Have been paid the designated number of hours through continuous employment by the relevant Measurement Period end date outlined in the table below:
 - Hired before 3/4/13 - 9,200 hours
 - Hired on or after 3/4/13 - 12,400 hours

Measurement Period End Date	Paycheck Date	Year
March 17	April 5	2013
September 15	October 4	2013
March 16	April 4	2014
September 14	October 3	2014
March 15	April 3	2015
September 13	October 2	2015

- Be paid on the scales listed in this Employee Agreement.
- Be employed on the date of the Extra Check payment.

**Employee Agreement****3. Promotions and Demotions**

- Hourly non-exempt employees who have already received an Extra Check payment and who move to a salaried position are paid a pro-rated Extra Check based on the number of hours paid as an hourly non-exempt employee in the eligibility period prior to the April or October payment.
- Supervisors and Salaried employees who received an Extra Check payment prior to demotion, remain Extra Check payment eligible.

B. FORMULA

- Years of continuous service are determined as of April 1 for the April Extra Check payment and as of October 1 for the October Extra Check payment.
- To qualify for the entire Extra Check payment, you must have been paid a minimum of 1,000 hours during the Extra Check Measurement Period. An accelerated accrual for hours worked on Sunday by full-time employees will be applied toward the 1,000 paid hours.
- If you were paid for less than the minimum of 1,000 hours, your Extra Check payment is pro-rated based on hours paid.
- If you were hired on or after 3/4/13 and reach the required hours for Extra Check eligibility (12,400 hours) during the Extra Check Measurement Period, your first Extra Check will be pro-rated based on the number of hours paid after reaching 12,400 hours.

For eligible employees who were paid less than 1,000 hours during the Extra Check Measurement Period, the formula for a pro-rated Extra Check is:

Employees hired before 3/4/13: $\text{Accumulated hours paid} \div 1,000 \times \text{entire Extra Check Amount} = \text{Amount Due}$.

Employee hired on or after 3/4/13: $\text{Accumulated hours paid in excess of 12,400 hours} \div 1,000 \times \text{entire Extra Check Amount} = \text{Amount Due}$.

The Extra Check calculation also includes any additional overtime pay due under applicable law.

- The Extra Check payment is included in the paycheck as listed in Section A.
- The amount of the entire Extra Check payment for which you are eligible is based on your length of continuous employment, as follows:

Years of continuous service:	April	October
Less than 10 years	\$2,500	\$2,500
10 to 14 years	\$3,000	\$3,000
15 to 19 years	\$3,500	\$3,500
20 or more years	\$4,000	\$4,000



Employee Agreement

**10.6 YOUR TRUE RATE OF PAY
(Hourly Non-Exempt Employees)**

When the Extra Check payment is expressed in hourly rate terms, the actual rate earned by our long-term employees is considerably higher. True rate of pay is our way of emphasizing that actual compensation for long-term hourly non-exempt employees significantly exceeds the stated base hourly rate. This common-sense term should not be confused with legal terms, such as the "regular rate" used to compute overtime premium pay.

For example, full-time employees with nine years of continuous service who work 1,000 hours every six months, at an hourly rate of \$22.00, will earn a \$2,500 Extra Check twice a year. Their hourly Extra Check rate would be \$2,500 divided by 1,000 hours, or \$2.50 per hour, making their true pay rate \$24.50 per hour.

YEARS OF EMPLOYMENT	HOURLY NON-EXEMPT RATE	EXTRA CHECK	TRUE RATE OF PAY
SERVICE ASSISTANT			
< 10 Years	\$20.30	+	\$2.50 = \$22.80
10 to 14 Years	\$20.30	+	\$3.00 = \$23.30
15 to 19 Years	\$20.30	+	\$3.50 = \$23.80
20+ Years	\$20.30	+	\$4.00 = \$24.30

SERVICE CLERK			
< 10 Years	\$22.00	+	\$2.50 = \$24.50
10 to 14 Years	\$22.00	+	\$3.00 = \$25.00
15 to 19 Years	\$22.00	+	\$3.50 = \$25.50
20+ Years	\$22.00	+	\$4.00 = \$26.00

Note: If you have more than one year of service with the Company, remember to also add your 401(k) lump-sum contribution when you compute your true rate of pay. Additionally, the Extra Check payment amount also includes any additional overtime pay in accordance with applicable law.



Employee Agreement

**"WHAT ARE THE RULES?"
11.0—STANDARDS OF
CONDUCT AND DISCIPLINE****11.1 STANDARDS OF CONDUCT AND DISCIPLINE**

The following basic Company guidelines are not intended to encompass all Company policies and procedures. If you have questions, please ask your Supervisor/Manager for clarification. We may, from time to time, modify these guidelines at our discretion.

Counseling Notices will be issued within three scheduled working days of Management's knowledge of violation (excluding Saturdays, Sundays, and holidays). In some instances, such as an ongoing investigation, issuance may exceed three scheduled working days. You will be asked to sign the Counseling Notice to verify that you received it.

- Employee Counseling Notices for Causes for Disciplinary Action will remain in the employee's personnel file for six months.
- Employee Counseling Notices for absenteeism will remain in the employee's personnel file for one year.
- Employee Counseling Notices for Causes for Termination will remain in the employee's personnel file permanently.

Note: The amount of time an Employee Counseling Notice remains in an employee's personnel file will be extended by the amount of time an employee is out on a leave of absence.³⁹

11.2 UNPAID SUSPENSION

We have the option to give you an immediate unpaid suspension for the purpose of an investigation for a violation of any of the major offenses listed under the "Causes for Termination" in Section 11.3. The length of suspension is as follows:

Hourly Non-Exempt Salaried Employees	3 days
	Full, 5-day work weeks must be used for unpaid suspensions. If the employee performs work of any kind for the Company during a work week, the employee MUST be suspended with pay. The employee may be suspended without pay for five days the following week if necessary.

- While on suspension, you may not perform any work for the Company.
- If the investigation finds you violated Company policy and your employment is not terminated, the Employee Counseling Notice is retained permanently in your personnel file.
- If the investigation finds you did not violate Company policy, your suspension is paid.
- If the investigation continues past the number of unpaid days listed above, your suspension may be extended but you are paid for any additional days.

³⁹ Except where otherwise provided by law.

**Employee Agreement****11.3 CAUSES FOR TERMINATION**

Our commitment requires us to operate within the law. You must adhere to Company policies and directives in all aspects of the operation. The following is a list of actions that can result in immediate termination of employment. These causes of termination (including, especially, subsections 11.3.3, 11.3.4, 11.3.8, 11.3.22, and 11.3.27) do not in any way prohibit the sharing of information for purposes of communicating about their wages, hours, and working conditions. No previous Counseling Notices are necessary. If termination does not occur, an Employee Counseling Notice will be issued and is permanently retained in the employee's personnel file.

1. Falsification of Company records or timecards, including omitting facts or willfully giving wrong or misleading information. This includes, but is not limited to:
 - a. The employment application
 - b. Internal investigations
 - c. Benefit enrollment forms
 - d. Workers' compensation or LOA forms
 - e. Inventory, vault or sales audit forms
 - f. Food labels, temperature or fat test logs
 - g. Completing someone else's timecard or swiping someone else's name badge
 - h. Having your timecard completed or your name badge swiped by someone else
2. Violation of Company policy prohibiting harassment or discrimination including, but not limited to:
 - a. Sexual harassment
 - b. Retaliation
 - c. Interfering with an investigation
3. Violation of Company policy not of the nature to constitute a violation of Company policy prohibiting discrimination or harassment including, but not limited to:
 - a. Malicious gossip
 - b. Derogatory attacks
 - c. Retaliation
 - d. Interfering with an investigation
 - e. Breach of confidentiality
4. Unauthorized collection, disclosure or misuse of confidential information relating to Costco, its members, employees, suppliers or agents including, but not limited to:
 - a. Unauthorized removal of such confidential information from Company premises
 - b. Recording a conversation without permission from all parties

**Employee Agreement**

5. Violation of Manager's Standard of Ethics.
6. Job Abandonment – failure to report to work for three consecutive days without notifying management or unauthorized absence for three consecutive days.
7. Violation of Costco's policies involving Leave of Absence (LOA) or other time off, including, but not limited to:
 - a. Unauthorized leave of absence
 - b. Failure to return from a leave of absence
 - c. Failure to provide required documentation for a leave of absence
 - d. Providing false or misleading information in connection with a leave of absence or other time off
8. Any act that jeopardizes the order of business or safety of the Company, the employee, other employees, customers, suppliers, or Company property, including, but not limited to:
 - a. Unbecoming conduct or horseplay
 - b. Statements made orally or in writing (including over the Internet) that maliciously disparages the Company, defames any individual, or violates the law or policies outlined in the Costco Employee Agreement⁴⁰
 - c. Possession of firearms, weapons, or explosives on Company time or premises⁴¹
9. Any conflict of interest which includes, but is not limited to:
 - a. Creating a business in competition with Costco
 - b. Working for another employer in competition with the Company⁴²
 - c. Performing unauthorized work for a customer as a representative of Costco.
10. Serious misconduct of any kind as defined by the Company, including, but not limited to, failure to provide fair, courteous, or respectful member service.
11. Excessive Policy Violations including, but not limited to:
 - a. Three unpaid suspensions in a 12-month period
 - b. Third violation of Causes for Disciplinary Action of the same or similar nature within a six-month period*
 - c. Four counseling notices within a six-month period, even if unrelated*
* Counseling Notices for Excessive Absenteeism cannot be counted.
12. Any conduct or relationship that jeopardizes your ability to perform your job responsibilities safely, competently, and/or honestly.

⁴⁰ Except where otherwise provided by law.

⁴¹ Except where otherwise provided by law.

⁴² Except where otherwise provided by law.

**Employee Agreement**

13. Creating or contributing to unsanitary or immoral conditions.
14. Any violation of the Drug and Alcohol-Free Workplace Policy.⁴³
15. Dishonesty including, but not limited to:
 - a. Grazing⁴⁴
 - b. Theft of any kind
16. Borrowing, using, lending, removal of, or giving away Company funds, merchandise, or equipment without written authorization of a Manager, including, but not limited to:
 - a. Taking non-purchased merchandise beyond the point of sale (registers)
 - b. Concealing merchandise in such a manner that it cannot be accessed for purchase
17. Fighting, striking, or attempting to strike another person, or any act of violence or threat of violence occurring on Company premises or on Company time.
18. Willful damage or destruction of Company property, equipment, merchandise, or property of others on Company premises.
19. Insubordinate conduct including, but not limited to:
 - a. Refusal to comply with the direct instructions or directions of your Supervisor
 - b. Any violation of, or non-compliance with, a Contract for Continued Employment
20. Conviction or record of conviction of a job-related crime, including, but not limited to, adjudication or where sentence is imposed.⁴⁵
21. Extending or receiving unauthorized discounts, refunds, or credits, including, but not limited to:
 - a. Failure to record sales
 - b. Ringing up one's own sales or a family member's sales
 - c. Misuse of the Executive Membership benefit
 - d. Processing one's own Optical order or a family member's Optical order
 - e. Working with an open register
 - f. Misuse of coupons, cash cards, p-cards, or other Company-related funds

⁴³ Except where otherwise provided by law.

⁴⁴ Grazing includes, but is not limited to: making personal use of shelf stock, RTV merchandise (including merchandise being destroyed for credit), merchandise returned by members, and any packages that either become opened or damaged during the course of business (e.g., blade cut, defective seams, etc.). Also included are Food Court and fresh food products and any ingredients used in their preparation. "If you didn't buy it, don't eat it!"

⁴⁵ Except where otherwise provided by law.

**Employee Agreement**

22. Unauthorized posting, distribution, removal, or alteration of any material in work areas.
23. Unauthorized entry or exit from Company premises at points other than those designated for employees. Entering restricted areas without authorization.
24. Leaving Company premises during working shift without permission of management.
25. Exceeding maximum time granted for leaves of absence or exceeding a vacation period.
26. Accepting employment with another employer while on leave of absence.⁴⁶
27. Disobedience of Company rules, including, but not limited to:
 - a. Electronic Communications and Technology policy
 - b. Safety policies and procedures
 - c. Fire procedures
 - d. Sanitary rules and regulations, SSOP's and food handling regulations
28. Giving or accepting gratuities, gifts, presents, money, or tips from members/customers, or suppliers.
29. Failure to produce or maintain required licenses or proper work authorization, including, but not limited to:
 - a. Licensed or certified Pharmacy, Optical, and Hearing Aid personnel must maintain their own license or certificate as a condition of employment.
 - b. Employees working in the tire shop must maintain current driver's license.
 - c. Non-citizens must maintain current government-issued work authorizations.
30. Failure to report to your Supervisor/Manager any injury, accident, or damage to Company property.

⁴⁶ Except where otherwise provided by law.

COSTCO 000038

11.0—CONDUCT & DISCIPLINE

CONFIDENTIAL

**Employee Agreement****11.4 CAUSES FOR DISCIPLINARY ACTION**

1. Excessive absenteeism is defined as exceeding seven instances in any 12-month period, extended by any leave of absence. (Consecutive absences count as one instance.) Unscheduled paid sick/personal days are included for purposes of calculating instances of absence.⁴⁷
 - The eighth and ninth instances in any 12-month period will each result in a documented Employee Counseling Notice.
 - The tenth instance in any 12-month period will result in an unpaid three-day suspension.
 - The eleventh instance in any 12-month period will result in termination of employment.

What does not count as an instance of absence:⁴⁸

- When you received your Manager's approval by requesting a day off in advance or when your absence is due to an approved LOA.
2. Excessive Tardiness – Tardies include reporting to work late for a scheduled shift or returning late from a meal period. Tardies can only be counted once. Four or more minutes late is considered tardy.

In any 30-day period, excessive tardiness is:

- a. Three separate occasions of 4 minutes or more, or
 - b. Two separate occasions of 30 minutes or more, or
 - c. One occasion of 120 minutes or more.
3. Failure to follow the posted schedule, including, but not limited to:
 - a. Trading, switching, or not following the posted work schedule without prior approval of management.
 - b. Beginning work prior to the start of your shift or leaving before your work shift is completed without the express approval of management to change your schedule. Working "off the clock."
 - c. Failure to notify management of your absence at least one hour before the start of your shift unless you are working the first shift of the day, in which case you must notify management at the start of your shift.
 - d. No show - Failure to report to work for your entire scheduled shift without notifying management.
 - e. Working overtime without prior approval from management.
 4. Failure to perform work as required. Not meeting Company requirements for quality, accuracy or quantity of work; inefficiency or the inability to perform assigned tasks or responsibilities (job incompetence); violations of cash handling policies (excluding theft of any kind or other acts of dishonesty).

⁴⁷ Except where otherwise provided by law.

⁴⁸ In accordance with applicable law, there may be other instances of absence that do not count as absenteeism.

**Employee Agreement**

5. Use of rude, derogatory, or obscene language or gestures, not of the nature to constitute a violation of the anti-harassment policy.
6. Discourtesy, insolence, or rudeness to a member or supplier.
7. Improper use of Company property.
8. Unnecessary loitering, wasting of time, engaging in personal conversations, detracting from your work or the work of others, including any behavior or conduct that causes a disruption in the workplace.
9. Use of the following except in emergency situations and then only with express management approval:
 - a. Company telephones, fax machines, computers, and property for personal business.
 - b. Technological advances continue to enhance our ability to communicate, but we need to be mindful that the new devices can be disruptive and are not appropriate in the workplace. Accordingly, use of cell phones and other personal electronic devices while working is prohibited.
10. Taking an extended break, loafing, or other abuse of Company time.
11. Parking cars in areas not assigned as employee parking areas or "on premises" traffic violations.
12. Violations of established policies and procedures, including, but not limited to:
 - a. Excessive failure to consistently or accurately swipe in or out at beginning and at end of shift, at beginning and at end of meal period, including swiping in early from your meal period. (Three separate failures to swipe consistently or accurately in a 30-day period is considered excessive.)
 - b. Excessive failure to begin your meal period (if required) no later than the end of the fifth hour of work (three separate failures in a 30-day period is considered excessive).
 - c. Excessive failure to sign and verify the accuracy of your time records (three separate failures to sign in a 90-day period is considered excessive).
13. Chewing gum, chewing tobacco, or smoking, except in designated areas, and never on the sales floor or at the registers.
14. Failure to follow any safety rules or regulations, including, but not limited to, improper lifting or box cutting techniques.
15. Presenting the Company with a personal check for insufficient funds/ closed account, or defaulting on a Company-sponsored credit card.

**Employee Agreement**

16. Soliciting or collecting funds for any purpose during work time without permission of a Supervisor or Manager.
17. Failure to follow rules and regulations from the security department concerning identification/name badges and/or other procedures.
18. Violation of Costco's Personal Appearance policy.

11.5 GRATUITY POLICY

All of us as Costco employees are prohibited from accepting gratuities from suppliers, members/customers, or service agencies with whom Costco presently does business, has done business with in the past, or any firm that may be considered for future business. Gratuities are interpreted to include gifts, moneys, trips, meals, lodging or special favors. In the event gifts arrive at the workplace or home, these gifts must be immediately reported to your Manager.

Failure to comply will be considered a very serious matter and grounds for termination of employment.

11.6 EMPLOYMENT AND RELATIONSHIPS

If you have a relative, friend, or domestic partner who is interested in employment with Costco, we will be happy to discuss opportunities. However, having a relative, friend, or domestic partner reporting to you or having a relationship with a co-worker that violates the Standard of Ethics for Managers/Supervisors can give the appearance of favoritism and affect your performance. This is a serious violation of Company policy that could result in termination of your employment, as described in Section 11.3, #5, #12. We will therefore avoid reporting relationships between friends and family members.

In addition, your relationship with a co-worker can jeopardize your ability to perform your job responsibilities safely, honestly, and/or competently if you work in the same department or if such co-worker audits your work. In the event that such relationships exist, appropriate transfers will occur.

If you feel that you are in a situation where the appearance of bias or favoritism might arise, it is your responsibility to make your Manager aware of the situation.

11.0—CONDUCT & DISCIPLINE**Employee Agreement****11.7 STANDARD OF ETHICS – MANAGERS/SUPERVISORS**

The Costco Mission Statement sets forth our commitment to obey the law, take care of our members and employees, respect our suppliers, and reward our shareholders. We cannot accomplish these goals unless we adhere to a set of moral principles that project our Mission's objectives to our fellow employees, members, suppliers and community. In accepting a position of management, you must be committed to and demonstrate a role of honesty and forthrightness. Any time there is the slightest doubt about an activity that could be questioned regarding honesty, integrity or intent, you must discuss it with your Manager or Regional Vice President to remove any doubt. Managers above all else lead by example:

- You must treat employees, members and suppliers with respect and dignity.
- Inappropriate fraternization with employees creates an atmosphere of conflict of interest and favoritism and is not acceptable.
- You must always strive to keep the workplace free of any form of harassment, discrimination, or retaliation. All members of management must review, be versed in, and administer the policy prohibiting harassment, discrimination, and retaliation as outlined by the Costco Employee Agreement. All forms of harassment are prohibited.
- You must deal with suppliers in the same honest and forthright manner that we expect from them.
- Personal relationships with any person providing a business service to Costco are generally prohibited. Do not give, seek or accept from any person or company doing business with Costco any gift, service, loan, entertainment or trip of any value. Your position at Costco must never be used to influence a supplier or any person doing business with us to provide benefit to you or your family.
- Without proper authorization, you may not release confidential information to outside sources.
- Never manipulate records (payroll, personnel, inventory, etc.) to enhance performance or results.
- Do not exploit Costco merchandise, equipment, supplies, or employees for personal gain.
- Our management commitment requires us to operate within the law. You must adhere to Company policies and directives in all aspects of the operation.
- All Managers are to be aware of and administer our Drug and Alcohol-Free Workplace Policy.

Following and administering the standards of conduct and discipline as stated in the Costco Employee Agreement is one way to foster our goal of maintaining a safe and efficient working and shopping environment.

The above common sense guidelines can never answer every question or solve all problems. At the core of our philosophy as a Company must be the implicit understanding that not one of us is required to lie or cheat on behalf of Costco or to enhance our Company or personal performance. Managers must never engage in any activity which could raise a question concerning their integrity.

11.0—CONDUCT & DISCIPLINE

CONFIDENTIAL

COSTCO 000040

**Employee Agreement****11.8 PRIVACY POLICY**

Costco respects our members' and employees' right to privacy, and it is up to each employee to take every precaution to make sure we respect this right. In the course of our business, we collect from our members and employees a substantial amount of personal information (such as name, address, phone number, e-mail address, social security number, membership numbers, and credit card numbers). *All of this information must be held strictly confidential and cannot be disclosed to any third party for any reason, unless (1) we have the person's prior consent, (2) a special exception is allowed that has been approved by the legal department, or (3) employees are exercising their right to communicate about wages, hours, and working conditions by sharing fellow employee contact information including name, address, phone number, and e-mail addresses, so long as such information was not obtained by an employee who improperly accessed Costco's database.*

Social Security Number/Personal Information

It is Costco's policy to protect the confidentiality of social security numbers and personal information obtained in the ordinary course of business from employees, suppliers, contractors, members, or others in either electronic or paper form. "Personal information" is any information that can be connected with an individual and includes, at a minimum, first name or initial and last name plus: (a) social security number (SSN); or (b) driver's license number; or (c) a financial account number, with or without a required security code.

Costco restricts access to information or documents containing SSNs or personal information to employees who have a legitimate business reason to access such information or documents. No employee shall knowingly obtain, store, transfer, use, disclose, or dispose of an SSN or personal information that Costco obtains or possesses except in accordance with Company policy.

- No part of an SSN should be used as a primary account or identification number for any individual.
- All documents containing SSNs or personal information should be stored in a physically secure manner. SSNs and personal information should not be stored on computers or other electronic devices that are not secured against unauthorized access.
- Do not put SSNs on documents that are designed for public display or may be widely seen, such as name badges, time cards, schedules, and bulletin board postings.
- Documents, materials, or computer screens that display all or part of an SSN should be kept out of public view at all times.
- Documents containing all or part of an SSN, that are sent through the mail, should not reveal the number through the envelope window or otherwise be visible from outside the envelope or package.
- Neither an SSN or part of an SSN should be used or transmitted on the Internet or on a computer system unless you know the transmission is encrypted.

**Employee Agreement**

- Documents containing SSNs and personal information will be retained in accordance with Costco's record retention policy and the requirements of state and federal laws. Documents containing confidential, personal, and/or protected information that are authorized for disposal will be shredded.
- Electronic documents containing SSNs, personal information or confidential information should be destroyed in a manner consistent with guidance from the I.S. Department.
- As part of employment, employees agree that Costco may use their image, voice, or likeness in videos, photographs, or recordings with or without their name and for any lawful purpose, including, for example, such purposes as internal publications, illustration, advertising, training, and Web content.
- If you at any time become aware of a possible violation of this Privacy Policy, you are required to report the matter to a Manager.
- Costco shall take reasonable measures to enforce this Privacy Policy and to correct and prevent any known violations. Any employee who knowingly obtains, uses, or discloses SSNs or personal information contrary to the requirements of this Policy shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company policy.

Additional rules apply to personal health information collected in our pharmacies or in our optical and hearing aid centers, as well as personal health information related to our employees, such as benefits and leaves of absence for medical reasons. All employees who handle personal health information are required to complete additional training. Please contact your Supervisor if you have not received this training.

- Documents containing confidential or otherwise protected information that are authorized for disposal will be shredded.
- Costco employees shall refrain from discussing private matters of members and private matters of employees, such as employee sick calls, leaves of absence, FMLA call outs, ADA accommodations, workers' comp injuries, personal health information, etc.

Although Costco may provide Company property for employees to use, it remains Costco property. These items, as well as any articles found within them, can be inspected by Costco at any time, without prior notice. Costco reserves the right to inspect the following:

1. All Company furniture and property, including, but not limited to, lockers, desks, filing cabinets, and drawers;
2. All articles, packages, or other containers brought into or taken from Costco, including backpacks, lunch boxes, and purses; and
3. All vehicles located on Company premises when management has reason to suspect a violation of Company policy.

**Employee Agreement**

Because an inspection might result in a discovery of an employee's personal possessions, all employees are encouraged to avoid bringing into the workplace any personal property that they do not wish to reveal at Costco.

This Privacy Policy is not intended to restrict the rights of employees, which Costco respects, to share information for the purpose of engaging in protected concerted activity.

11.9 INTELLECTUAL PROPERTY PROVISION

Please remember that as an employee of Costco, all creative work, business ideas, and products that you design and develop as a Costco employee, or that otherwise relate directly to our business, are the sole property of Costco. This does not apply to creative work, business ideas or inventions developed entirely on an employee's own time and without the use of Company equipment, supplies, facilities, or trade secrets.

11.10 ELECTRONIC COMMUNICATIONS AND TECHNOLOGY POLICY

Costco recognizes the benefits associated with electronic communications for business use. All employees are responsible for communicating with appropriate business decorum whether by means of e-mail, the Internet, hard-copy, in conversation, or using other technology or electronic means. Information stored in or transferred through Costco's electronic systems is not private personal information but is the property of Costco and can be accessed by Costco in accordance with law. Misuse or excessive personal use of Costco technology or electronic communications is a violation of Company policy for which you may be disciplined, up to and including termination of employment. Your use of Costco technology and electronic communication systems represents your agreement with the following policies:

- Every employee is responsible for ensuring that all information relating to Costco, its members, suppliers, and operations is secure, kept in confidence, and not disseminated or misused.
- Any communication transmitted, stored, or displayed electronically must comply with policies outlined in the Costco Employee Agreement, whether or not it occurs during working hours or using Costco's systems. Employees should be respectful and be aware that material published electronically such as web sites, social networking sites, online message boards, or discussion groups (e.g., Facebook, Google+, Twitter, YouTube, etc.) may be cause for discipline, up to and including termination of employment, if the material could reasonably be viewed as malicious, obscene, threatening or intimidating. Examples of such material include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion, or any other status protected by law or Company policy. Employees, however, are not prohibited from sharing information for purposes of communicating about their wages, hours, and working conditions.

**Employee Agreement**

- Employees should be aware that Costco owns and maintains records of all data collected, created, or stored on Costco information systems. Costco, consistent with applicable law, may monitor and log all computer activities and employee use of Company-provided technology and devices without notification.
- Electronic communications, data transfers, remote access, and Internet access are for the purpose of facilitating the business of Costco. Personal use must be kept to a minimum and may be monitored for any reason, including excessive personal or inappropriate use.
- Only software or computer equipment authorized by Costco Information Systems may be installed. Installation of personal and/or unauthorized software or computer equipment is prohibited, including, but not limited to, items such as video games, personal photos, CD/DVD players, music files, wireless devices, modems, and storage devices (such as iPods, MP3 players, etc.).
- Copying and distribution of copyrighted material is prohibited. Costco respects the intellectual property rights of those who create this material.
- Confidential or sensitive materials (electronic or hard-copy) must be secured at all times.
- Sensitive and/or confidential information such as membership, company financial information, credit card numbers, social security numbers, or employee personal health information protected by privacy laws, such as but not limited to HIPAA, may not be shared, transmitted, or stored for personal or public use without prior management approval. Additionally, unauthorized or insecure removal or transmittal of confidential material from Company premises is prohibited.
- All Costco system access passwords are the responsibility of the employee and should be kept confidential. Employees are prohibited from the unauthorized use of other employees' passwords.
- All computer users should log off at the end of their work day. Locking your workstation is expected for shorter absences.

The Electronic Communications and Technology Policy is not intended to restrict the right of employees, which Costco respects, to share information for the purpose of engaging in protected concerted activity.

Please contact the Costco Information Security group by email at InformationSecurity@costco.com for additional information.

11.0—CONDUCT & DISCIPLINE

80

11.0—CONDUCT & DISCIPLINE

81

CONFIDENTIAL

COSTCO 000042



Employee Agreement

11.11 TIMECARDS (Non-Exempt Employees)

Electronic timecard systems are used to record your time. Failure to accurately record your time is a violation of Company policy.

Please record the exact time of the following:

1. When you begin your shift.
2. When you leave for your meal period.
3. When you return from your meal period.
4. When you end your shift.

It is your responsibility to be at your position when your shift begins. Personal activities before you do work (hanging up your coat, etc.) should be completed before you sign in.

Other important points are as follows:

1. Never fill in a timecard ahead of time.
2. Always sign your timecard at the end of your last shift.
3. Never fill in another person's timecard.
4. All overtime requires management approval PRIOR to working overtime. If you work overtime without prior approval, you must still accurately record all of your time worked.
5. Review, approve, and sign your timecard each pay period. Excessive failure to sign time records may result in disciplinary action.
6. Each pay period, review your pay stubs for accuracy. Any discrepancies or inaccuracies should be immediately reported to management.



Employee Agreement

**"WHAT DOES MEMBER SERVICE LOOK LIKE?"
12.0—MEMBER SERVICE****12.1 MEMBER SERVICE STANDARDS**

Member service can be simply defined as the treatment of our members in a fair, courteous, respectful and expeditious manner.

Costco's service is its most critical commodity. We can stock the perfect mix of products and merchandise them beautifully, but if we don't provide our members with the respect and assistance that they deserve and have come to expect from us, all other efforts will be fruitless.

The following standards are required of everyone at all times:

Eye contact: First impressions make a difference and include complying with Costco's dress code and keeping a clean, safe workplace.

Smile: It's one of the easiest and most tangible ways your body language shows good member service.

Greet and acknowledge each member sincerely: Give the member your full attention. Make every effort to assist and approach members in all areas of the operation. Don't engage in idle chatter with co-workers.

Appreciate and thank every member: Give each member your sincere gratitude.

Be accountable and take responsibility: If you see something outside your area that needs attention, take action or immediately contact your supervisor or manager.

Know Your Role

Our primary duty is to provide an exceptional level of member service, and every position at Costco has a direct impact on member service.

As a Stocker: Keep your aisle clean, straight, and safe. Merchandise should be well presented, in stock, and on the floor. Make sure all pertinent information about the merchandise is clearly displayed.

On the Front End: Greet every member with a smile and present yourself in a professional, friendly manner. Ring up orders accurately and make sure there are boxes available for members' purchases. Keep your register area clean and clear of personal items.

At the Door: Offer a clean cart to any member without one. Thank each member for coming in and answer basic questions about the warehouse that members may need to know.



Employee Agreement

12.0—MEMBER SERVICE

At the Membership Counter: Greet each member or potential member with a smile and thank them when they leave. Follow our 100 percent satisfaction policy. Process all transactions in an efficient, professional manner. Keep the return area neat and safe and ensure the membership counter is clean and clear of personal items.

At the Food Court: Make sure all tables are clean and that the area is sanitary and clear of trash and wrappers. Trash containers should be monitored and emptied regularly.

Our pledge in the Code of Ethics is to provide our members with the best customer service in the retail industry. Our members are our reason for being; if we don't keep them happy, little else that we do will matter.

12.2 PERSONAL APPEARANCE POLICY

It is Costco's belief that our employees are responsible individuals who are capable of ensuring that their appearance is neat, clean, and professional. Employees are expected to practice good grooming and personal hygiene habits.



In order to allow Costco to be relaxed in its dress code, we ask your assistance by arriving to work dressed in a neat, clean, and professional manner. In addition, for safety reasons we prohibit open-toed shoes or sandals being worn in the warehouses and depots. Some departments require safety shoes, as noted below.

The employee name badge is an important part of how we all present ourselves to Costco members. It is necessary that the name badge be clean, accurate, and easy to read, with only Company approved attachments.



Note: If you have specific questions regarding appropriate attire, ask your Location Manager in advance. Inappropriately dressed employees are considered unsuitable to commence work and will be sent home. Employees may be asked to return to work later the same day in attire conforming to Company standards. Employees required to leave due to inappropriate attire will not be compensated for any lost time. Employees may also be disciplined if they arrive for work inappropriately dressed, as described in Section 11.4, #18.



Employee Agreement

**"HOW DO I PROTECT MYSELF AND OTHERS?"
13.0—SAFETY POLICIES****13.1 GENERAL SAFETY RULES**

Note: In addition to those listed here and in the Risk Management manual, other safety rules, and procedures are integrally intertwined in all Costco policies, procedures, rules, and employee training programs.

1. Comply with all Costco safety rules and actively participate and cooperate in the safety program.
2. Never start work on a job for which you have not been trained, or when you don't know the hazards and how to protect yourself from them.
3. Report immediately any unsafe condition, work practice, accident, or injury to a Supervisor or Manager.
4. Climbing on merchandise or storage racks is not permitted.
5. Provided equipment guards must be used. Only authorized and trained employees performing operationally required adjustments should remove, bypass or modify equipment guards, covers or interlocks.
6. Horseplay is not permitted.
7. Jewelry and/or loose clothing are not to be worn in bakery, meat, deli, and food service departments, nor when working with any moving machinery/equipment.
8. Box cutters or other cutters using changeable blades must not be used in bakery, meat, food court, service deli, and any department involved in the manufacturing and/or preparing of food products.
9. Damaged equipment or storage fixtures must be reported to the Location Manager promptly.
10. Avoid distracting others.
11. Lift with your legs and not your back – get help with heavy, bulky or awkward loads.
12. Use the right tools and equipment for the job. Use and properly care for all personal protective equipment (PPE) provided.
13. Never enter a compactor chute unless the compactor has been locked out and a Manager is present.
14. With minor exceptions, electrical work must be performed by an outside contractor.
15. No more than ten (10) shopping carts are to be pushed at one time. Push, don't pull carts/flats. Cart pushers are to use a cart rope and wear a bright safety vest. The vest must be reflective and should be worn whenever work is performed in the parking lot or gas station, regardless of whether the warehouse is open or not.
16. Clean as you go and maintain a clean workplace.

13.0—SAFETY

COSTCO 000044

CONFIDENTIAL

**Employee Agreement****Employee Agreement****13.0—SAFETY**

17. In general, all equipment/machinery must be unplugged (with plug kept in sight), or tagged and locked out while it is being cleaned, worked on, serviced, repaired, or when an authorized and trained employee is by-passing a machine interlock or guard while performing operationally required adjustments. For example: Changing plastic on the wrapping machine or placing fingers near the muffin depositor throat or ports.
18. Only trained and authorized employees who have completed the respective Costco equipment training or certification program shall operate powered equipment.
19. Never ride on any powered equipment where riding is not intended.
20. Do not work under suspended loads.
21. Wear all personal protective equipment required for work performed, including safety glasses, splash goggles, gloves, hearing protection, etc.
22. Use the proper tool for the job and use only tools that are in good condition.
23. Use ladders or proper platforms when working off the ground.
24. Before entering confined or concealed spaces, review the job with Home Office Risk Management/Safety and follow designated safety procedures.
25. Store materials only in designated areas.
26. Sweep all floors regularly and clean up spills promptly.
27. Keep all traffic areas free of clutter.
28. Maintain good housekeeping.
29. Report leaking containers to a Supervisor.

13.2 FOOD HANDLERS

These policies ensure a safe and sanitary work environment and comply with applicable Food Service Health and Safety Regulations:

Head and Facial Hair Covering - A hat and white hair net must be worn at all times. Beard nets must also be worn if you have facial hair.

Jewelry - No jewelry of any kind may be worn, including rings, wedding rings, facial or tongue jewelry, watches, necklaces, bracelets, earrings, etc.

Hands - Fingernails must be kept trimmed short. No nail polish or false nails may be worn.

Clothing - No loose-fitting clothing may be worn as it could get caught in equipment or contaminate food. No shorts may be worn. Bakery and Food Service employees must wear shirts with short sleeves (above the elbow).

Safety Shoes - You must wear shoes that are sold as being slip resistant in oil or water and have hard rubber or leather soles. Tennis shoes, heels or open-toed shoes are not permitted.

13.3 EMERGENCY PROCEDURES

1. Know the personnel who are trained in first aid and CPR. Their names and pictures should be posted on the Employee Bulletin Board and/or on all first-aid kits.
2. Know emergency fire, evacuation, and other immediate emergency procedures. Report any emergency to a Supervisor immediately.
3. If a spill occurs:
 - Secure the area or mark the spill.
 - Notify a Supervisor/Manager.
 - Determine action to be taken to clean up spill (i.e., hazardous material, etc.).
 - Clean up spill (if directed by a Supervisor/Manager).

13.4 FORKLIFT/ELECTRIC PALLET JACKS (EPJ)

1. Only trained and authorized employees who have completed the Costco forklift/EPJ certification program shall operate a forklift or electric pallet jack.
2. Forklifts and EPJ's may not be used to push/pull other forklifts, carts, or EPJ's.
3. Please refer to the Costco Forklift/EPJ Manual and the Risk Management Manual for entire certification program.
4. Following any forklift/EPJ-related incident, documented retraining will occur.
5. Sturdy leather shoes are recommended for all forklift drivers as they tend to be more slip resistant than tennis shoes and generally provide better foot support and protection.

13.5 HAND TRUCKS

1. Stack the heavier containers toward the bottom to keep the center of gravity as low as possible.
2. Balance the load over the axle as you walk. Do not rely on the handles to carry the burden of weight.
3. Never walk backwards except when necessary to maneuver in tight places.

COSTCO 000045

13.0—SAFETY

CONFIDENTIAL

**Employee Agreement****13.6 PALLETS**

1. Inspect pallets daily.
2. Broken pallets (i.e., missing chunks of wood, broken boards) are not to be used.
3. Watch for loose nails or sharp edges.
4. Be sure top deck boards and bottom stringers are sound and securely fastened to the runners.
5. Pallets should be stored flat on the floor, never turned on side.
6. Empty pallets should not be left on the selling floor. Do not store empty pallets in the steel. Do not walk over an empty pallet on the floor, walk around it. Drivers should promptly remove empty pallets to the receiving area.
7. Merchandise should be stacked on a pallet with a maximum 3-inch overhang, front and back. This will help ensure a minimum 6-inch flue space is maintained between the double row steel.
8. Partial pallets of merchandise must be combined and restocked promptly to conserve pallets. In other words, pallets on the floor, which have been depleted of their merchandise by shoppers, should be consolidated and empty pallets removed to Receiving.

13.7 DOCK SAFETY**A. Wheel Chocking**

1. Receiving personnel are responsible for setting and removing wheel chocks.
2. Tractors must set air brakes prior to loading or unloading of trailer.
3. Use wheel chocks designed for the purpose. Lumber, concrete blocks, and chunks of asphalt are not acceptable.

B. Permanent Mechanical Dock Plates

1. Lock dock plates in place until loading or unloading of trailers is finished.
2. Receiving personnel and assigned forklift driver are to be in complete control of the trailer under all loading and unloading conditions.

C. Portable Dock Plates

1. Use only dock plates designed for the purpose.
2. Use lift trucks to install and remove plates.
3. Make sure the plate overlaps both the truck bed and the dock floor by at least eight inches.
4. Secure the plate with anchor stops to reduce slipping.

**Employee Agreement****13.8 CHEMICAL SAFETY**

1. Know the chemicals you work with. Read the label or refer to the applicable Material Safety Data Sheet(s) available through the Costco Intranet MSDS link.
2. Store chemicals in designated areas and in accordance with manufacturer's instructions.
3. Keep containers closed when not in use. Appropriately label all temporary storage containers.
4. Be familiar with first aid procedures for chemicals used (see Label or Material Safety Data Sheet).
5. Notify a Supervisor of any chemical spill for clean up and disposal procedure direction.

13.9 LIFT/CARRY MATERIALS SAFELY

1. If load is heavy, big or awkward, get help or find a way to split the load before attempting to lift and carry it.
2. If you cannot see over or around the load, it is too big to carry.
3. Check a load for rough edges, protruding nails or pinch points.
4. Check for open or weak bottoms on containers.
5. Know where you are going before you start. Plan a direct, obstacle-free route.
6. Use mechanical help when possible.

13.0—SAFETY**13.0—SAFETY**

COSTCO 000046

CONFIDENTIAL

**Employee Agreement****INDEX**

401(k)	35	Confidentiality	15-16, 70, 77-81
Absences	41, 69, 71, 74	Conflicts of Interest	7, 48, 71, 77
Accommodation	13, 22, 79	Contracts for Continued Employment	19, 72
Accounting Issues or Illegal Conduct, Anonymous Reporting	16	Costco Trading	10, 21, 61
Accumulation of Goal Hours	24, 25, 34, 48	Costco Travel	10, 21, 62-64
ADA (Americans with Disabilities Act)	13, 23	Counseling Notices	25, 28, 69-71, 74
Adoption	44, 50-51	Counseling Services	42
<i>See also Leaves of Absence</i>		Crime Convictions	72
Alcohol and Drugs	17-19, 72, 77	CWI (Costco Wholesale Industries)	10, 21, 60-61, 63-65
Anti-Discrimination	6, 12-15, 70, 77	Demotions	25, 29, 40, 67
Anti-Harassment Policy	6, 12-15, 70, 77	Depots Classifications in	60
Auburn Business Facilities	10, 62	Described	10
Benefits Descriptions of	35-42	Hourly Pay Rates in	63-66
Employee Status and	20, 22	Seasonal Periods in	21
Layoff Recalls and	27	Disagreements	11-12
Leaves of Absence and	48-51	Disciplinary Actions	25, 74-76
Bereavement Leave	32, 34, 52-53	Discipline Standards	69-82
Bonding	50-51	Discounts, Unauthorized	72
<i>See also Leaves of Absence</i>		Discourtesy	71, 75
Breaks	33, 75	Discrimination	<i>See Anti-Discrimination</i>
Business Center	10, 56, 63-65	Dishonesty	7, 72
Business Practices	9-10	Dock Plates/Safety	88
Cameras	75, 80-81	Double Time	32
Career Opportunities	7, 55-62	Dress Code	76, 83-84
Care Network	19-20, 35, 42	Drugs and Alcohol	17-19, 72, 77
Cell Phones	75	Electronic Communications	75, 80-81
Chemical Safety	89	Emergency Procedures	87
Chewing Gum/Tobacco	75	Employee Meetings	29-30, 32
Classification and Status Business Needs and	34	Employee Parking	75
Changes in	24-28, 40	Equal Opportunity	12
Compensation and	33	Ethics	5-9, 12, 71, 77
Described	20-22, 48, 55-62	Excessive Absenteeism	69, 74
Closures	30, 40	Excessive Tardiness	74
COBRA	49	Extra Check Measurement Period	66-67
Code of Ethics	5-9, 16, 71, 72-73, 77	Falsification of Records	54, 70, 77
Company Property	17-18, 71-73, 75, 79	Family and Medical Leave Act	43-51, 79
Compensation	<i>See Wages and Compensation</i>	<i>See also Leaves of Absence</i>	
Complaints	8, 12-16	Favoritism	15, 76-77
Conduct and Discipline	69-82	Fitness for Duty	19
Confidential Complaints	15-16	Floating Holidays	32, 37, 40, 48, 50-51

**Employee Agreement**

Food Handlers	86	Limited Part-time Employees	20, 29, 54
Forklift/Cashier Training	22	Limited Part-time Pharmacists	34, 54, 57
Forklift Operators	22, 87-88	Loitering	75
Full-time Employees Classification of	20	Managers	20, 23, 33, 37, 71, 77
Jury Pay for	54	Martin Luther King, Jr.'s Birthday	32, 35-37
Ratio to Part-time	29	Meal Periods	17, 20, 33, 74-75, 82
Sick/Personal Days for	39	Meat Cutters	65
Status Changes in	24	Meat Plants	10, 21, 60
Vacation	38	Medical Leaves of Absence	43-51
Gratuities	7, 73, 76	Member Service Standards	83-84
Grazing	72	Members, in Code of Ethics	5-6
Hand Trucks	87	Membership, for Employees	41
Harassment	6, 12-15, 70, 77	Merchandise, in Code of Ethics	9
<i>See also Anti-Harassment</i>		Military Leave	26, 44-45, 53
Hearing Aid Center Employees	56-57, 73, 79	Minimum Hours	29
Holidays	35-38, 48	Minimum Work Day	29
Home Office	7, 23, 26, 33, 38, 55, 63-64	Misconduct	31, 70-76
Hourly Non-Exempt Employees Classifications of	19-22, 55-62	<i>See also Conduct and Discipline</i>	
Extra Check Payments for	66-67	Mission Statement	5, 9, 77
Opportunities for	22-23	Natural Disasters	30
Pay Rates for	63-66	No Show	71, 74
Schedules/Compensation for	29-33, 50-51	Non-Competition	7, 48, 71
Status Changes in	24-25, 40	Obscenity	75, 80
Suspension of	69	Ombud's Office	11
Insubordination	18-19, 72	Open Door Policy	11-12, 13, 15, 16
Insurance	35, 51	Optical Labs	10, 21, 58-59, 60
Intellectual Property	80-81	Outside Employment	7, 48, 73
Interchange of Duties	23, 34	Overtime Pay	20, 30, 32-34, 54, 74, 82
Internet	71, 78, 80-81	Packaging Plants	10, 21, 61
Inventory	30	Paid Time Off	35-40, 73
Jewelry	85, 86	Pallet Jacks (EPJ's)	87
Job Posting	23	Pallets	88
Jury Duty Leave	32, 54	Part-time Employees Classification of	20
Layoffs	26-27	Jury Pay for	54
Leaves of Absence Benefits and	36-37, 49	Ratio to Part-time	24
Family and Medical	43-51	Sick/Personal Days for	39
Non-Medical	52-54	Status Changes in	24
Pay during	50-51	Vacation	38
Policy Violations of	71, 73	Performance Evaluation/Review	21, 24, 26
Length of Employment, Continuous	26	Performance Failure	25, 74
Licensed Employees	57-58, 73	Personal Appearance Policy	76, 84
Lifetime Executive Membership	41	Personal Checks	75
Lifting Procedures	75, 89		

**Employee Agreement**

Personal Days . . . 21, 32, 34, 36, 39-40, 48, 50, 51	Shareholders 5, 8
Personal Medical Leave 43-51	Sick/Personal Days 21, 34, 39-41, 51
<i>See also Leaves of Absence</i>	Smoking 75
Personal Property 79-80	Soliciting 76
Pharmacists	Status <i>See Classification and Status</i>
License Requirements for 57	Stock Purchase Plan 20, 35
Overtime for 33	Substance Abuse 17-19, 42, 72, 77
Limited Part-time 34, 54	Sunday Premium Pay 20, 32, 33, 34
Photo Lab Employees 56, 57	Sunshine Brooks Scholarship Program 42
Physical Inventory 30	Supervisors 23, 25, 33, 55-62, 77
Policy Violations 70-76	Supplemental Pay 32-33
Privacy Policy 78-80	Suppliers 7, 77
Probationary Period 21, 24, 27, 28,	Suspension, Unpaid 69, 71, 74
. 36, 40, 52, 54	Tardiness 74
Promotions 7, 12, 23, 24, 40, 57, 67	Technology Policy 80-81
Property Damage 72	Temporary Employees
Reduction in Workforce 26-27	Benefit Eligibility of 36, 39
Regional Offices 23, 26, 33, 38, 55	Leaves of Absence for 52, 54
Relationships, in Workplace 71, 76, 77	Temporary Job Openings 23
Reporting Harassment, Discrimination, or	Termination
Retaliation 15	Causes for 8, 15, 18, 19, 25, 41, 43,
Resignation 28 47, 52, 54, 70-74, 76, 79, 80
Resolution of Disagreements 11-12	Costco's Right to 28
Retaliation 8, 12, 14-16, 70, 77	Sick/Personal Days and 40
Rudeness 75	Vacation Pay/Floating Holidays and 37, 39
Safety Policies 71, 73, 75, 85-89	Theft 72
Safety Shoes 84, 86	Timecards 70, 75, 82
Salaried Employees	Tobacco Use 75
Classification of 20	Transfers 24, 26, 29, 57-58
Demotion of 25, 40	Transitional Duty 22
Pay and Compensation for 20, 33, 37, 40,	Transitional Return to Work 48
. 50-51, 53-54, 56, 66-67	Travel Expenses 31
Suspension of 69	Truck Drivers 56, 66
Salary <i>See Wages and Compensation</i>	USERRA 48, 53
Schedules 20, 24, 29-30, 74	Vacations 21, 34, 38-39, 48, 50-51, 73
Seasonal Employees	Violence, Act or Threat of 72
Benefit Eligibility of 36, 39	Voluntary Requests for Assistance 19
Classification of 21	
Leaves of Absence for 52, 54	
Seasonal Period 21, 24, 38	
Security Violations 76	
Service Assistant 25, 55-63, 68	
Service Clerk 25, 33, 55-62, 64, 68	
Sexual Favoritism 15	
Sexual Harassment 13-15, 70	

**Employee Agreement**

Wages and Compensation
<i>See also Holidays; Sick/Personal Days; Vacations</i>
Extra Check Payments 66-67
Hourly Non-Exempt Rates 63-66
Improper Deductions from 12
Leaves of Absence and 48-51
Supplemental Pay 32-33
For Travel 31
True Rate of Pay 68
Warehouses 9, 21, 56, 63-65
Wheel Chocks 88
Winter Leave 52
Worker's Compensation Leave 43-44, 50
<i>See also Leaves of Absence</i>
Work Day, defined 29
Work Week, defined 29

94

CONFIDENTIAL

EXHIBIT 11



**Acknowledgment of
Management Training**



HR Month

*Discrimination and Harassment
Prevention Policies and Procedures*

I acknowledge that on 5/15 2006, I attended Costco's
Month / Day Year
Discrimination and Harassment Prevention Training and that I understand: 1) every
employee has the right to work in an environment free from harassment, discrimination
and retaliation; 2) I have a responsibility not to engage in behaviors that constitute
harassment, discrimination or retaliation; 3) if I feel I am being harassed, discriminated
against or retaliated against, I have the right and responsibility to either communicate
this directly to the harasser or to a non-involved Supervisor; and 4) as a Supervisor or
Manager, I am responsible for preventing harassment, discrimination and retaliation in
the workplace and for taking prompt effective action if I know or have reason to know of
these behaviors in the workplace.

229
Location #

Jeffery M Bowler
Print Name

183559
Employee #

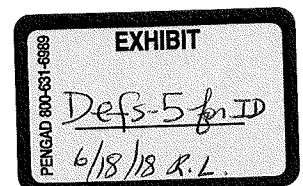
Jeffery M Bowler
Signature

Chris Binas
Trainer (Print Name)

*Place signed document in employee's personnel file and key training into the HRIS
system (the code is HR05).*

ED0128.DOC

REVISED 1/10/06



CONFIDENTIAL

COSTCO 000648



Acknowledgment of
Management Training

HR Month

*Discrimination and Harassment
Prevention Policies and Procedures*

I acknowledge that on 5/3 2007, I attended Costco's
Month / Day Year
Discrimination and Harassment Prevention Training and that I understand: 1) every
employee has the right to work in an environment free from harassment, discrimination
and retaliation; 2) I have a responsibility not to engage in behaviors that constitute
harassment, discrimination or retaliation; 3) if I feel I am being harassed, discriminated
against or retaliated against, I have the right and responsibility to either communicate
this directly to the harasser or to a non-involved Supervisor; and 4) as a Supervisor or
Manager, I am responsible for preventing harassment, discrimination and retaliation in
the workplace and for taking prompt effective action if I know or have reason to know of
these behaviors in the workplace.

#229
Location #

Jeffery M. Bowie
Print Name

183559
Employee #

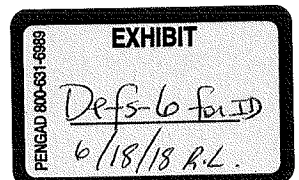
Jeffery M. Bowie
Signature

Trainer (Print Name)

*Place signed document in employee's personnel file and key training into the HRIS
system (the code is HR05).*

ED0128.DOC

REVISED 1/10/06



CONFIDENTIAL

COSTCO 000640

MANAGING TO COSTCO'S
STANDARD OF ETHICS

Seyfarth Shaw
Shaw at Work

Participation and Policy Acknowledgment Form

Directions:

Please read and fill out this page, then give it to the Leader(s) before the end of the training program.

I, Talley M Bowil, participated in Costco's Managing to Costco's
(Print Name)

Standard of Ethics program on 2/15/11.
(date)

I acknowledge that I have been given a copy, have read and understand

Costco's harassment prevention policy.

(Company Name)

I understand that I am to follow the terms and procedures of our policy.

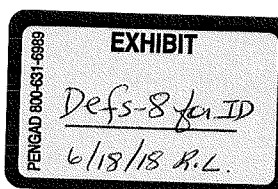
[Signature]
Signature of Participant

X Talley M Bowil
(Print Name: First, Middle Initial, Last)

183559
Employee No. (if applicable)

Assist GM
Employee Title (if applicable)

CONFIDENTIAL



COSTCO 000628

EXHIBIT 12



Request For Leave of Absence and Notification of Family and Medical
Leave Entitlements (FMLA) and Other Similar State Leave Acts

EMPLOYEE NAME:

Jeffery M Bowie

LOC:

* 229 Brick

EMPLOYEE ADDRESS:

1003 Larchmont Place
Mount Laurel NJ 08054

SS#:

Redacted

ID#:

183559

Check One

☒ Salary☐ Hourly

I hereby request the following type of FMLA leave of Absence:

- ☒ Birth or Placement of a Child; or
☐ Serious Health Condition affecting my
☐ Spouse ☐ Child ☐ Parent
For whom I am needed to provide care

Please indicate reason for request:

birth of child

Requested Time Off:

Starting: 9/22/05Ending: 10/27/05

I understand that if the Leave is due to my family member's medical condition that the Certification of Health Care Provider (WH-380) form must be completed in its entirety and returned prior to the start of my Leave or within 15 days. If I am already on a Leave this Certificate must be completed and returned within 15 days. Failure to furnish an appropriate Certification will result in denial or delay of my Leave. For a Leave due to a medical condition, the Company may, at its expense, may require me to obtain a second or third opinion from a health care provider of its choice regarding information contained in the original Certification.

If I am unable to return to work on or before the day my Leave expires, I must apply, in advance and in writing, to my manager for an extension not to exceed 12 weeks in a 12 month period.

If eligible for group health benefits prior to commencement of my Leave, I will continue to be eligible for such benefits. Costco has the right to charge me for my regular benefit related payroll deduction while I am out on a Leave of Absence. If my coverage is cancelled because of non-payment of these deductions, I may continue medical/dental benefits under the provisions of COBRA. Group benefits may be maintained, through payments, for a maximum time period of 12 weeks or as required by state law.

I understand that while on Leave, I will be required to furnish my manager with periodic reports every 30 days of my status and intent to return to work. If circumstances of my Leave change and I am able to return to work earlier than the date indicated above, I must notify my manager at least two work days prior to the date I intend to return.

I understand that additional information regarding continuing my group health benefits will be sent to me if I exceed the time listed in the previous schedule. If I do not return at the expiration of my FMLA Leave, under certain circumstances, I may be charged retroactively for the full premium cost of the medical benefits coverage paid by the Company during any unpaid leave.

I also understand that my employment will terminate the date I engage in any other gainful employment (unless approved by the Company) while on Leave or if I do not return to my job on or before this Leave expires.

All time taken under any Leave of Absence will count as time taken under FMLA, if applicable (please see next page for more information regarding FMLA Leave). I further understand that the maximum length of time for Family / Medical Leave of Absence is 12 weeks in any 12-month period.

Date

9-30-05

Employee's Signature

Date

9/30/05

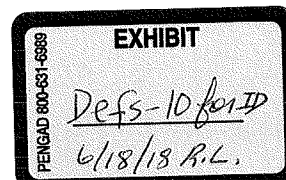
Manager's Approval

The requested leave will be counted against your available ☒ FMLA ☐ state family and/or medical leave entitlement. Note: All FMLA or state family leave approvals are contingent upon the employee meeting the required eligibility qualifications in accordance with applicable law.

request notification fmla act_all_family.doc

Issued: January 28, 2002

CONFIDENTIAL



COSTCO 000824

1
farad
10/3/05

Salaried Bonding Certification

Employee Name: Jeffery M Bowie

Employee Number: 183559

Address: 1003 Larchmont Place

Phone Number (856) 866-1852

Please Check One: Birth ☒ Adoption ☐

Date of Birth/Adoption (placement): Redacted

Last Day Worked: 9/19/05

Expected Return Date: 10/27/05

Has this employee received Salary Continuation in the last 6 Mos? NO

Annual Salary: \$69,779.00

Weekly Salary: \$1342.00

Tax Purposes:

Married or Single Married Number of Dependents: 9

Person filling out this form: Jeffery Bowie

Date Faxed: _____

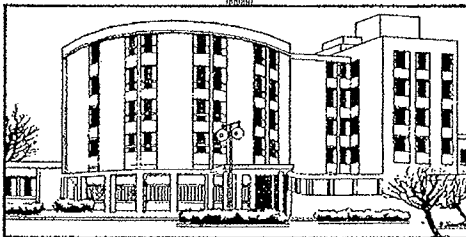
FAX THIS FORM ALONG WITH PROOF OF ADOPTION OR BIRTH:

Proof of adoption (adoption paperwork w/employees name and placement date.

Proof of Birth (release from hospital)

Attention: LaVerne McGee
FAX # (425) 427-7865

For Internal UNUM Use Only
SI STD Client # = 554393
Division 004-004



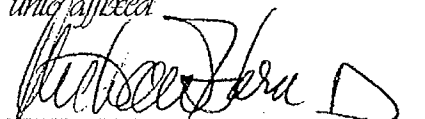
LOURDES MEDICAL CENTER OF BURLINGTON COUNTY

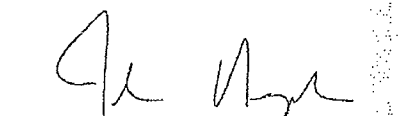
218 A SUNSET ROAD, WILLINGBORO, NEW JERSEY

Certificate of Birth

This Certifies that GAGE MICHAEL BOWIE
was born to JEFFERY B KIMBERLY BOWIE
in this Hospital at 7:15 *o'clock, P.m. on* THURSDAY
the Redacted *day of* Redacted *Redacted*

*In Witness Whereof the said Hospital has caused this Certificate
be signed by its duly authorized officer, and its Official Seal to be hereunto affixed*


ATTENDING PHYSICIAN


JOHN NESPOLI, CHIEF ADMINISTRATIVE OFFICER



THIS IS NOT AN OFFICIAL DOCUMENT

CONFIDENTIAL

COSTCO 000826

FAMILY HISTORY

Father's full name JEFFREY MICHAEL BOWIEBirthplace NEW BRUNSWICK, NEW JERSEY Date _____Mother's maiden name KIMBEELY CAMILLE CAVANAUGH Date _____Birthplace BATON ROUGE, LOUISIANA Date _____Residence at time child was born MOUNT LAUREL, NEW JERSEYSex of child MALE Weight at birth 7 pounds 6 ounces. Length 20 inches

Baby's left footprint →



Baby's right footprint



Mother's left thumbprint



Mother's right thumbprint



This Document should be carefully preserved. It is your family's heirloom record of the facts pertaining to your child's birth. The law requires that the original certificate (not this document) be filed with the Vital Statistics Office at _____ from which an official copy may be obtained.

Redacted

CONFIDENTIAL

COSTCO 000827



Request For Leave of Absence and Notification of Family and Medical
Leave Entitlements (FMLA) and Other Similar State Leave Acts

EMPLOYEE NAME:

EMPLOYEE ADDRESS:

Jeffrey M Bowie
23 Highland Dr
Bearsegaat NJ 08005

LOC:

SS#:

ID#:

Brick NJ 224Redacted183537

Check One

☒ Salary☐ Hourly

I hereby request the following type of FMLA Leave of Absence:

- ☒ Birth or Placement of a Child; or
☐ Serious Health Condition affecting my
☐ Spouse ☐ Child ☐ Parent
For whom I am needed to provide care

Please indicate reason for request:

Requested Time Off:

Starting: 12/28/06Ending: 2/1/07

I understand that if the Leave is due to my family member's medical condition that the Certification of Health Care Provider (WH-380) form must be completed in its' entirety and returned prior to the start of my Leave or within 15 days. If I am already on a Leave this Certificate must be completed and returned within 15 days. Failure to furnish an appropriate Certification will result in denial or delay of my Leave. For a Leave due to a medical condition, the Company may, at its expense, may require me to obtain a second or third opinion from a health care provider of its choice regarding information contained in the original Certification.

If I am unable to return to work on or before the day my Leave expires, I must apply, in advance and in writing, to my manager for an extension not to exceed 12 weeks in a 12 month period.

If eligible for group health benefits prior to commencement of my Leave, I will continue to be eligible for such benefits. Costco has the right to charge me for my regular benefit related payroll deduction while I am out on a Leave of Absence. If my coverage is cancelled because of non-payment of these deductions, I may continue medical/dental benefits under the provisions of COBRA. Group benefits may be maintained, through payments, for a maximum time period of 12 weeks or as required by state law.

I understand that while on Leave, I will be required to furnish my manager with periodic reports every 30 days of my status and intent to return to work. If circumstances of my Leave change and I am able to return to work earlier than the date indicated above, I must notify my manager at least two work days prior to the date I intend to return.

I understand that additional information regarding continuing my group health benefits will be sent to me if I exceed the time listed in the previous schedule. If I do not return at the expiration of my FMLA Leave, under certain circumstances, I may be charged retroactively for the full premium cost of the medical benefits coverage paid by the Company during any unpaid leave.

I also understand that my employment will terminate the date I engage in any other gainful employment (unless approved by the Company) while on Leave or if I do not return to my job on or before this Leave expires.

All time taken under any Leave of Absence will count as time taken under FMLA, if applicable (please see next page for more information regarding FMLA Leave). I further understand that the maximum length of time for Family / Medical Leave of Absence is 12 weeks in any 12-month period.

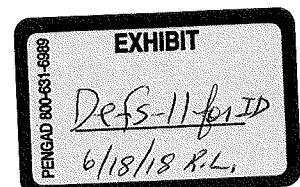
12/26/06
Date

12/26/06
Date

Employee's Signature

Manager's Approval

The requested leave will be counted against your available ☐ FMLA ☐ state family and/or medical leave entitlement. Note: All FMLA or state family leave approvals are contingent upon the employee meeting the required eligibility qualifications in accordance with applicable law.



Salaried Bonding Certification

Employee Name: Jeffery M Bowler

Employee Number: 183509

Address: 23 Highland Dr Barnegat US 08005

Phone Number: (609) 481-6276

Please Check One: Birth ☒ Adoption ☐

Date of Birth/Adoption (placement): Redacted

Last Day Worked: Tuesday December 26, 2006

Expected Return Date: February 1, 2007

Has this employee received Salary Continuation in the last 6 Mos? no

Annual Salary: \$ 72,350.00

Weekly Salary: \$ 1391.35

Tax Purposes:

Married or Single married Number of Dependents: 9

Person filling out this form: Kimberly Clemente

Date Faxed: _____

FAX THIS FORM ALONG WITH LEAVE OF ABSENCE REQUEST FOR AND PROOF OF ADOPTION OR BIRTH:

Proof of adoption (adoption paperwork w/employees name and placement date.)
Proof of Birth (release from hospital w/employees name and child's birth date.)

Attention: Leave Administration

FAX # (425) 427-7865

Costco Wholesale #229

1722 Rt. 88

Brick, N.J. 08724

(732) 458-2114

To: Jennifer Storer

Fax#: 405/27-7865

Ph#:

From : Kim

Re: _____

CC:



Paternity leave

HP Officejet 5600 series 5615

Personal Printer/Fax/Copier/Scanner

Log for

Costco 229

7328403838

Jan 07 2007 9:10a

Last Transaction

Date	Time	Type	Identification	Duration	Pages	Result
Jan 07	09:06a	Fax Sent	14254277865	3:52	5	OK

CONFIDENTIAL

COSTCO 000821



2007 FMLA Leave Tracking Sheet

Leave entitlement equals _____

Hours * _____

Name: Jeff BowieStart Date: 12/18

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

 Total Hours Used
 Total Days Used

Mon	Tues	Wed	Thurs	Fri	Sat	Sun
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

 Total Hours Used
 Total Days Used
Total Used

TO DETERMINE ENTITLEMENT HOURS:

Full Time = 480 Hours

Part Time = Total number of hours paid in the 12 weeks preceding the beginning of FMLA leave

Salaried Employee - Location manager and salaried employee must agree upon the hours worked per week and multiply by 12

Please record hours missed, not time worked



FMLA Leave Tracking Sheet

Leave entitlement equals

Hours *

Name: _____

Name: Jeff Bowie

Start Date:

12/18

January 2006						
Mon	Tues	Wed	Thurs	Fri	Sat	Sun
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Total Hours
Used

Total Days
Used

July 2006								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
					1	2		
3	4	5	6	7	8	9		
10	11	12	13	14	15	16		
17	18	19	20	21	22	23		
24	25	26	27	28	29	30		
31								

Total
Hours
Used

Total
Days
Used

August 2006

February 2006								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
		1	2	3	4	5		
6	7	8	9	10	11	12		
13	14	15	16	17	18	19		
20	21	22	23	24	25	26	Total Hours Used	Total Days Used
27	28							

August 2006								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
	1	2	3	4	5	6		
7	8	9	10	11	12	13		
14	15	16	17	18	19	20		
21	22	23	24	25	26	27	Total Hours Used	Total Days Used
28	29	30	31					

March 2006							Total Hours Used	Total Days Used
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
		1	2	3	4	5		
6	7	8	9	10	11	12		
13	14	15	16	17	18	19		
20	21	22	23	24	25	26		
27	28	29	30	31				

September 2005								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
4	5	6	7	1	2	3		
11	12	13	14	8	9	10		
18	19	20	21	15	16	17		
25	26	27	28	22	23	24	Total Hours Used	Total Days Used

April 2006								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
3	4	5	6	7	8	9		
10	11	12	13	14	15	16		
17	18	19	20	21	22	23	Total Hours	Total Days
24	25	26	27	28	29	30	Used	Used

October 2006							
Mon	Tues	Wed	Thurs	Fri	Sat	Sun	
2	3	4	5	6	7	1	
9	10	11	12	13	14	8	
16	17	18	19	20	21	15	
23	24	25	26	27	28	22	
30	31					29	
							Total Hours Used Total Days Used

May 2006							
Mon	Tues	Wed	Thurs	Fri	Sat	Sun	
1	2	3	4	5	6	7	
8	9	10	11	12	13	14	
15	16	17	18	19	20	21	
22	23	24	25	26	27	28	
29	30	31					
							Total Hours Used Total Days Used

November 2006								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
		1	2	3	4	5		
6	7	8	9	10	11	12		
13	14	15	16	17	18	19		
20	21	22	23	24	25	26	Total Hours Used	Total Days Used
27	28	29	30					

June 2006									
Mon	Tues	Wed	Thurs	Fri	Sat	Sun			
			1	2	3	4			
5	6	7	8	9	10	11			
12	13	14	15	16	17	18			
19	20	21	22	23	24	25			
26	27	28	29	30					
							Total Hours Used	Total Days Used	

December 2006								
Mon	Tues	Wed	Thurs	Fri	Sat	Sun		
					1	2	3	
4	5	6	7	8	9	10		
11	12	13	14	15	16	17		
18	19	20	21	22	23	24	Total Hours Used	Total Days Used
25	26	27	28	29	30	31		



Entitlement hours are based on the total number of hours worked in the 12 weeks preceding the beginning of the FMLA leave.



Request For Leave of Absence and Notification of Family and Medical Leave Entitlements (FMLA) and Other Similar State Leave Acts

EMPLOYEE NAME:

Jeffery M Bowie

LOC:

1025

EMPLOYEE ADDRESS:

23 Highland Dr
Barnesat, MS 38005

SS#:

Redacted

ID#:

183559

Check One

☒ Salary☐ Hourly

I hereby request the following type of FMLA Leave of Absence:

- ☒ Birth or Placement of a Child; or
☐ Serious Health Condition affecting my
☐ Spouse ☐ Child ☐ Parent
 For whom I am needed to provide care

Please indicate reason for request:

Requested Time Off:

Starting: 5/29/08Ending: 7/3/08

I understand that if the Leave is due to my family member's medical condition that the Certification of Health Care Provider (WH-380) form must be completed in its entirety and returned prior to the start of my Leave or within 15 days. If I am already on a Leave this Certificate must be completed and returned within 15 days. Failure to furnish an appropriate Certification will result in denial or delay of my Leave. For a Leave due to a medical condition, the Company may, at its expense, may require me to obtain a second or third opinion from a health care provider of its choice regarding information contained in the original Certification.

If I am unable to return to work on or before the day my Leave expires, I must apply, in advance and in writing, to my manager for an extension not to exceed 12 weeks in a 12 month period.

If eligible for group health benefits prior to commencement of my Leave, I will continue to be eligible for such benefits. Costco has the right to charge me for my regular benefit related payroll deduction while I am out on a Leave of Absence. If my coverage is cancelled because of non-payment of these deductions, I may continue medical/dental benefits under the provisions of COBRA. Group benefits may be maintained, through payments, for a maximum time period of 12 weeks or as required by state law.

I understand that while on Leave, I will be required to furnish my manager with periodic reports every 30 days of my status and intent to return to work. If circumstances of my Leave change and I am able to return to work earlier than the date indicated above, I must notify my manager at least two work days prior to the date I intend to return.

I understand that additional information regarding continuing my group health benefits will be sent to me if I exceed the time listed in the previous schedule. If I do not return at the expiration of my FMLA Leave, under certain circumstances, I may be charged retroactively for the full premium cost of the medical benefits coverage paid by the Company during any unpaid leave.

I also understand that my employment will terminate the date I engage in any other gainful employment (unless approved by the Company) while on Leave or if I do not return to my job on or before this Leave expires.

All time taken under any Leave of Absence will count as time taken under FMLA, if applicable (please see next page for more information regarding FMLA Leave). I further understand that the maximum length of time for Family / Medical Leave of Absence is 12 weeks in any 12-month period.

Date

6/4/08

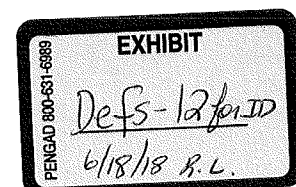
Date

6/6/08

Employee's Signature

Manager's Approval

The requested leave will be counted against your available ☐ FMLA ☐ state family and/or medical leave entitlement. Note: All FMLA or state family leave approvals are contingent upon the employee meeting the required eligibility qualifications in accordance with applicable law.



Family Medical Leave Act

Pursuant to the Family & Medical Leave Act of 1993 (FMLA), eligible employees may be entitled to 12 weeks of Family & Medical Leave in a 12-month period. To be eligible for FMLA Leave, an employee must have worked for the Company for at least 12 months and must have worked at least 1250 hours during the last 12 months prior to the date the Leave is to begin. The 12-month period is measured backward from the date an FMLA Leave begins. State law's which are more generous than FMLA will control to the extent required.

FMLA Leaves will be granted in any 12-month period for one or more of the following reasons:

- Because of childbirth and to care for a child in the first 12 months after childbirth.
- Because of a child's placement with the employee for adoption or foster care, within the first 12 months of the placement.
- To care for a spouse, child, or parent who has a serious health condition.
- Because of the employee's own serious health condition, where the employee is unable to perform his/her job.

For leaves covered by the FMLA, State Family and Medical Leave and/or Pregnancy Disability Leave laws, where applicable, including the California Family Rights Act (CFRA), generally employees will be reinstated to the same or equivalent job if they return on or before their Leave expires. Where permitted, FMLA will run concurrently with all other required state leave laws, including CFRA and pregnancy disability leaves.

For pregnancy disability leaves in California, an employee is entitled for 4 months of pregnancy disability Leave and, if eligible, for an additional 12 weeks of CFRA Leave.

For a non-FMLA Medical Leave, employees generally will be reinstated to the same, equivalent or other suitable vacant position subject to the Company's business needs and applicable law.

At your option, you may use any available earned vacation during any unpaid Leave and any available sick leave during an otherwise unpaid FMLA Leave taken for the serious health condition of you or your family member, Pregnancy Disability Leave, or Personal Medical Leave. Any paid time used will be counted against your available Leave under FMLA, State Leave laws, and/or Company policy.

If you do not return to work following FMLA Leave for a reason other than: (1) the continuation, recurrence or onset of a serious health condition which would entitle you to FMLA Leave; or (2) other circumstances beyond your control, you may be required to reimburse the Company for YOUR share of health insurance premiums paid on your behalf during your FMLA Leave.

For any Leave of Absence, employees have no greater right of reinstatement or other benefits and conditions of employment than if they had not taken a Leave.

For further details please refer to the "Family and Medical Leave Legislation" poster displayed in the Employee Break Room.

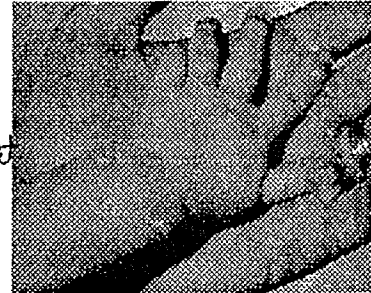
Salaried Bonding Benefit Certification

Employee Name: Jeff M. Bowie

Employee Number: 183559

Address: 23 Highland Dr. Barnegat
NJ 08005

Phone Number (609) 489-6276



Please Check One: Birth ☒ Adoption ☐

Date of Birth/Adoption (placement): Redacted

Last Day Worked: 5/28/08
(Must be within one week after the date of birth)

Expected Return Date: 7/3/08

Has this employee received Salary Continuation in the last 6 Mos? no
(If yes, contact Leave Administration at 425.313.2537 prior to proceeding)

Annual Salary: 75,000- Weekly Salary: 1442.31

Tax Purposes: Married or Single: Married # of Dependents: (Claims Exempt)

Please Initial:

JB I understand that I must begin my leave within one week after the date of birth or placement to be eligible for this benefit.

JB I understand that I cannot split up my time while using the Salaried Bonding Benefit.

 CA ONLY: I understand that my benefit will be offset by the California PFL benefits whether I apply for the PFL benefits or not.

 WA ONLY: I understand the first week will be unpaid unless I choose to use my salaried sick leave, vacation or floating holidays. The remaining 4 weeks are paid through Unum.

FAX THIS FORM TO (425) 427-7865 (ATTENTION: LEAVE ADMINISTRATION) ALONG WITH THE LEAVE OF ABSENCE REQUEST FORM AND PROOF OF BIRTH OR ADOPTION:

Proof of Adoption: adoption paperwork w/employees name and placement date.
Proof of Birth: release from hospital w/employees name and child's birth date.



EXHIBIT 13



STANDARD OF ETHICS (MANAGERS/SUPERVISORS)

The Costco Mission Statement sets forth our commitment to obey the law, take care of our members and employees, respect our suppliers, and reward our shareholders. We cannot accomplish this unless we adhere to a set of moral principles that project our Mission's objectives to our fellow employees, members, suppliers and community. In accepting a position of management, you must be committed to and demonstrate a role of honesty and forthrightness. Any time there is the slightest doubt about an activity that could be questioned regarding honesty, integrity or intent, you must discuss it with your Manager or Regional Vice President to remove any doubt. Managers above all else lead by example.

- You must treat employees, members and suppliers with respect and dignity.
- Inappropriate fraternization with employees creates an atmosphere of conflict of interest and favoritism and is not acceptable.
- Managers must always strive to keep the workplace free of any form of harassment or discrimination. All members of management must review, be versed in, and administer the policy prohibiting harassment and discrimination as outlined by the Costco Employee Agreement. All forms of harassment, whether due to race, color, national origin, ancestry, sex, sexual orientation, gender identity or expression, religion, age, pregnancy, disability, work related injury, covered veteran status, political ideology or any other reason is prohibited.
- Suppliers are dealt with in the same honest and forthright manner that we expect from them.
- Personal relationships with any person providing a business service to Costco are generally prohibited. Do not give, seek or accept from any person or company doing business with Costco any gift, service, loan, entertainment or trip of any value. Your position at Costco must never be used to influence a supplier or any person doing business with us to provide a benefit to you or your family.
- Without proper authorization, you may not release confidential information to outside sources.
- Never manipulate records (payroll, personnel, inventory, etc.) to enhance performance or results.
- Do not exploit Costco merchandise, equipment supplies and/or employees for personal gain.
- Our management commitment requires us to operate within the law. You must adhere to Company policies and directives in all aspects of the operation.
- All Managers are to be aware of and administer our Drug and Alcohol-Free Workplace Policy as defined in the Costco Employee Agreement.

Following and administering the standards of conduct and discipline as stated in the Costco Employee Agreement is one way to foster our goal of maintaining a safe and efficient working and shopping environment.

The above common sense guidelines can never answer every question or solve all problems. At the core of our philosophy as a Company must be the implicit understanding that not one of us is required to lie or cheat on behalf of Costco or to enhance our company or personal performance. Managers must never engage in any activity which could raise a question concerning their integrity.

EMPLOYEE NAME: Jeffery M Bowil
(please print)

SIGNATURE: [Signature]

DATE: 5/8/07

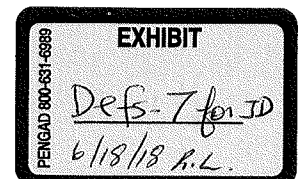
Costco

001981-2

HR Month

© 2007 All Rights Reserved

Leader Notes - Ver. 3



CONFIDENTIAL

COSTCO 000643

MANAGING TO COSTCO'S
STANDARD OF ETHICS

Seyfarth 
Shaw | Work

Participation and Policy Acknowledgment Form

Directions:

Please read and fill out this page, then give it to the Leader(s) before the end of the training program.

I, Talley M Bowil, participated in Costco's Managing to Costco's
(Print Name)


Standard of Ethics program on 2/15/11.
(date)

I acknowledge that I have been given a copy, have read and understand

Costco's harassment prevention policy.

(Company Name)

I understand that I am to follow the terms and procedures of our policy.

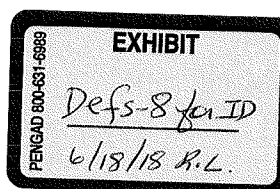

Signature of Participant

X Talley M Bowil
(Print Name: First, Middle Initial, Last)

183559
Employee No. (if applicable)

Assist GM
Employee Title (if applicable)

CONFIDENTIAL



COSTCO 000628